

FBIS**DAILY REPORT
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PRESIDENT: ALFONSIN HOLDS PRESS CONFERENCE

PY120340 Buenos Aires Domestic Service in Spanish 2200 GMT 11 Jun 86

[Press conference by President Raul Alfonsin with unidentified reporters at the White Hall of Government House in Buenos Aires -- live]

[Excerpts] [Question] Mr President: Three weeks ago, when you visited the III Corps, an attack against your life was thwarted. We know that investigations are being conducted at military and federal court levels. But we would like to hear some political comments from you on two main aspects. First, do you believe that the attack sought to affect the country psychologically; and second, was the attack part of a conspiracy against democracy?

[Alfonsin] As you said, investigations are being conducted by the appropriate federal courts, while the military sector is trying to establish responsibility for the simple fact that a bomb planted and it went off. Regarding your specific question, I really think that the action only sought to create a psychological effect. This is a supposition. I do not think that the real intent of the attack was to cause casualties.

[Question] Mr President, I want to continue with the subject discussed by my colleague. When the so-called "Tejerazo" [Spanish coup attempt headed by Lt Col Antonio Tejero Medina] took place in Spain in 1981, the people took to the streets in defense of the incipient democracy at that moment. In this case, the attack in Cordoba, this did not happen in Argentina. What is your opinion in this regard? Perhaps a lack of confidence of the people, indifference, oppression, or perhaps socioeconomic problems?

[Alfonsin] No, by no means. I think that the citizens thought, as I did, that it was simply a psychological action.

[Question] Mr President, some comments have been made, and today a paid advertisement was published stating that some attacks against the political opposition could come from the Radical Civic Union [UCR] itself. What do you say about this?

[Alfonsin] It is obvious that we are face-to-face with a perverse activity linked to this type of psychological action. I read the paid advertisement this morning, and it is probably true. What it says is very true, regarding the bomb attack against Senator Saadi, as well as other rumors that circulated regarding bombs that exploded in the UCR committee offices. I think we are living through a period in which episodes like this are shaking public opinion, and we are still running the risk that these attacks could be repeated. And this happens because we are in a good position. I would say that democracy is becoming stronger, that the country is overcoming a serious crisis in all aspects, not just in the political problems. So, small groups, which had thought that it would be easy to subvert the institutional order, are taking desperate actions. It is being increasingly demonstrated that democracy is taking root in Argentina, and this not just due to good government. Democracy is being consolidated because the Argentine people want to live in democracy, because they know that the path to the future has been paved through the participation of all for freedom, for the possibility of overcoming stagnation, for the possibility of living the democratic coexistence in peace. This is the general desire of the people, and thus, these small groups are really trying to create a climate which by no means is real in Argentina, with the objective of trying to play the last card.

I really think we are living through an intense period, and in a very short time, we are going to demonstrate that democracy is already strong and triumphant in Argentina.

[Question] Mr President, in addition to what you have already said, I would like to know why those responsible for not only the recent incidents but also for all the incidents that have taken place since you took office have not been found yet.

[Alfonsin] This is a drama, a problem. It must be taken into account that I took office in December 1983, but this does not mean that democracy was established all of a sudden in all sectors.

As I have already stated, democracy is a struggle in which all Argentine citizens must participate during these difficult moments we are experiencing. I believe it is a struggle against those who, in the name of the past, try to distort our reality, to lead us to another similar situation. I don't think anybody could have believed that from one day to the next we would do away with the vices of authoritarianism that sometimes still hinder government actions.

I am aware that this problem needs to be thoroughly analyzed by every Argentine political and social sector. It is absolutely necessary that we all become aware of the need to struggle, united against the old Argentina that still expresses itself through these types of attacks. It would be absolute suicide for the Argentine citizens to look upon acts of this nature as problems between the opposition and the government. This is a challenge that should concern, and does concern, every Argentine citizen, without exception, regardless of favoritism, regardless of political ideology. The objective is to bury violence and strengthen democracy for the future.

[Question] Mr President, I would like to know whether you, in your capacity as commander in chief of the Armed Forces, concur in the statements by Army Chief of Staff General Rios Erenu that the political circles and sectors of the media have been infiltrated?

[Alfonsin] The executive branch and I, particularly, as commander in chief, feel that we are accompanied and understood by the various chiefs of staff of the three armed forces. This does not mean we necessarily agree personally on everything that is stated. Nor does it mean that the president of the nation should make comments on what everyone says.

[Question] Mr President, I would like to know the government's position on whether to allow military commanders to make political statements.

[Alfonsin] The Argentine Government's position on this is well known. We are exercising democracy. The military men are also citizens and they must fulfill their responsibilities as such and abide by the military regulations.

[Question] Great expectations have arisen during the past few hours regarding the statements by General Flores, commander of the III Army Corps. I would like you to tell me, Mr President, whether garrison commanders are authorized to freely and publicly voice their opinions or whether they have to request the corresponding authorization from the chief of staff to do so.

[Alfonsin] As we have seen, the statements by the commander of the III Army Corps have been rectified. As is public knowledge, he is in charge of the investigation of the finding of a bomb in the military garrison.

It is hoped that it will be determined in the next few days, who was responsible for this incident. So far, I have no information whether precise instructions have been given, whether they should refrain from giving a general opinion. However, it will depend on the responsibility assumed, as I stated a while ago, on the criteria chosen to determine whether a military officer who voices an opinion should be sanctioned or not.

[Question] I would like to know the government's attitude regarding the General Confederation of Labor [CGT] stoppage scheduled for 13 June, and also whether the government will adopt any measures to halt this stoppage and whether there are any plans to declare it illegal?

[Alfonsin] A stoppage is scheduled to repudiate the Austral Plan on its first anniversary. The Austral Plan is an economic program drafted by patriotic Argentines. It is an economic program that has succeeded because of the efforts of the Argentine people, particularly because of the efforts of Argentine workers, and because of the efforts made by the poorest national sectors.

As you may remember, when the Austral Plan was implemented we were experiencing an average monthly inflation rate of more than 30 percent. If the inflation rate of the first half of 1985 had projected into the second half of the year, we would have had a yearly inflation rate totaling 1,705 percent. However, since the enforcement of the Austral Plan, the inflation rate totals 43.6 percent, which means that we have achieved a categorical and almost miraculous success. Although we cannot say that it is miraculous because, I reassert, it was achieved because of the efforts of the Argentine people during a period of hyperinflation that conspired against the development of Argentina, against investments and that particularly undermined the workers' purchasing power.

You are all well aware that economic adjustment programs are hard. You are aware that IMF formulas have usually led to an accute recession and produced significant decreases in real salaries. It has been shown that because of the implementation of the Austral Plan, the workers' purchasing power has increased by 7 percent from the first to the second half of the year. It has also been shown that in the last quarter of 1985, we experienced sustained growth in the industrial sector, and this is continuing and will continue throughout this Argentine economic process.

Therefore, unlike other parts of the world that have been forced to implement economic adjustment policies, we kept the burden from falling mainly on the shoulders of the working sectors. We avoided an extended recession, and we strived and were successful in curbing inflation. Economists throughout the world, from developed and developing countries alike, friends from Latin America and from other countries of the Southern Hemisphere, have come to Argentina to study our concepts. We are proud of having been able to implement this plan, which we have done without causing any social injustices beyond those that are well-known in this crisis that all Argentines are experiencing.

Therefore, in answer to your question, my opinion about the whole issue is that I am, I would say, filled with indignation. I am aware that there are social problems. I am aware that there are serious problems. I am, of course, aware of the fact that there are just salary claims. But everyone is also aware that it is not a question of issuing more currency. I know that no one is thinking of damaging the country, but we must stop adopting childish attitudes.

This is not the first time that something like this has taken place. I remember the plans for labor struggle that were carried out during the administration of President Illia [1963-1966]. I remember the labor activity carried out during the presidency of Isabel Peron [1973-1976]. But they will not lead us to make blunders or to adopt demagogic attitudes by casting a sort of veil over the present situation Argentina is experiencing and by making us believe that by decreasing nominal salary increases, we will be solving the problems affecting Argentine workers. If this were the case, it would be the simplest thing in the world. There would be no hunger in the world; there would be no poverty in the world. The present problems affecting Africa and Asia would be solved.

Everyone knows that we are confronting a crisis, and everyone knows that it is absolutely necessary that we must start talking seriously about it, because we are talking about real salary increases, about increase in purchasing power, about real salary increases, not about nominal salary increases. Therefore, on the one hand we have just salary claims but on the other hand we are willing to heed these claims, but in keeping with the economic framework. We are not willing to create the illusion of granting salary increases that 2 months later, like the salary increases that were issued in the last period of the Isabel Peron government, were absorbed by the same inflation that they produced and the worker's purchasing power decreased.

We must think seriously about these things that are affecting us. I think this is the proper time to define our positions based on the adoption of serious attitudes, and on serious studies. We are within the framework of a discussion, we are within the framework of the social and economic conference. This is where worker, government, and business representatives meet. We need this framework, which in the end will allow us to achieve a definitive solution.

We need investments to be able to sustain the increase we are experiencing in the nation's economic activity. I wonder what people say about us abroad. Of course, many eyes are on us. I do not believe that these kinds of stoppages are held in any other country in the world. This is the fifth or sixth stoppage that is being held during our administration. But to hold a stoppage because of the anniversary of the implementation of an economic plan under a democratic government that implements those programs which it promised to fulfill during the presidential elections, which were furthermore reasserted during partial legislative elections, is something completely unprecedented. Therefore, I believe that this whole thing is completely negative.

[Question] Are you going to declare the strike illegal?

[Alfonsin] No, sir, we are not going to declare it illegal.

[Question] Some labor union leaders have stated that the government abandoned the economic and social conference the moment it unilaterally implemented the Austral Plan. Moreover, despite what you have just stated regarding the success of the Austral Plan, the union leaders are dragging the country to a general stoppage. How does the government plan to counteract this general stoppage?

[Alfonsin] The Austral Plan was not linked to the economic and social conference, which has been meeting the past few days and which we hope will continue to meet. The doors are not closed. We are in dialogue and will continue to seek dialogue. But we are not going to bend a principle concerning the seriousness with which we Argentines should behave.

Therefore, we believe it is necessary to continue the economic and social conference and not break the dialogue. We particularly believe that there is an urgent need to normalize the workers organizations. This is necessary for Argentine democracy. We then expect to have an interlocutor who will analyze the questions with sufficient care. Thus, we will learn how we can work in a democracy to solve the various problems affecting the different sectors.

[Question] The reform of the national Constitution has already been anticipated in several provinces with reforms in their respective provincial constitutions. A trend can be noticed toward centralization. In this regard, what will the reform of the national Constitution contemplate?

[Alfonsin] I believe that one of the pillars of Argentina's modernization is its respect for the federal system, which should include not only respect for the provincial institutions but also for their economic and social peculiarities. An important answer to this is the intention to transfer the site of the federal capital, and next week I believe we will introduce a bill to this effect in Congress. As for the national Constitution, we will be looking into this, but nothing has yet been decided. The need is to do away with the possibility of authoritarianism and inflexibility in the face of political or social changes, such as the coups. This concern is fundamentally what is moving us to reform the national Constitution, but at the same time securing the federal system through various instruments.

[Question] About a year ago the executive branch sent Congress a bill on the protection of personal privacy. Now, regarding the reform of the Constitution, do you, Mr President, have a clear idea on the right of rejoinder? The bill I mentioned has not yet been debated in any of the two congressional bodies.

[Alfonsin] We will insist, Sir. We have a clear idea and we believe that a necessary complement to the unrestricted respect for freedom of the press is the people's right to privacy in the form the executive branch has submitted to Congress.

[Question] Allow me to read part of the electoral platform of the Radical Civic Union referring to the constitutional reform that is being talked about. It seems that only your reelection matters. It reads that in time the reform of the Constitution will be promoted in order to eliminate the state of siege and to establish, as an express constitutional guarantee, the rights of habeas corpus and court injunction. Mr President, I ask you this question because the first measure your government took was to declare a state of siege. Will the stage of siege be abrogated?

[Alfonsin] We do not believe that it is necessary to make an in-depth analysis of the powers the executive branch has when Congress is in recess. Nevertheless, you know very well that this government cannot be accused, at least by anyone in his right mind, of having suppressed freedoms or of having followed a policy tending to suppress freedom of expression. We applied the state of siege in accordance with the due process of law, and did so precisely to defend the rights of all the people. Should I again find myself in similar circumstances, I would not hesitate to do it again, because my fundamental duty is to defend democracy for all Argentines.

[Question] Will the proposition in the UCR electoral platform to eliminate the state of siege be implemented?

[Alfonsin] There will have to be other institutional mechanisms to defend society. Your question cannot be answered positively nor negatively.

If you told me to eliminate the state of siege and to leave society unprotected, my answer would be: No, Sir, the state of siege cannot be eliminated. But if you told me that there should be another instrument that in an emergency would allow the executive branch to act with the approval of the judicial branch and Congress, my answer would be yes. And this was the thought when the Constitution was ratified. But we cannot leave society unprotected if at a time of internal disturbance we cannot apply a measure intended to protect it. I would say that there can be the possibility of declaring not only a political emergency, but other guarantees implemented in a different way. This is what we proposed. We could also declare an economic emergency, which we would like to debate in public. At that time the UCR will clearly define its positions in a debate among all Argentines. And there are many people who are opposed not only to a given position, but to the reform itself. All these questions must be discussed by all Argentines. I believe that a formula to defend society must be found, because it is another pillar of the modernization of the state, which must be discussed by all Argentines.

[Question] [Words indistinct] Would you accept a new presidential nomination?

[Alfonsin] No sir. [passage indistinct]

[Question] A topic that obviously has to do with the Argentine situation is the foreign debt. If possible, I would like you to tell us how much Argentina has paid in principal and interest since you came to power? What is the current amount...

[Alfonsin, interrupting] No, sir, I will not answer your question. I did not bring any papers, and I do not have the figures in my head. I am the nation's president, not the economy minister.

[Question] If you would allow me, then I would like to ask you about how the foreign debt has evolved since you came to power and what direction your government will follow on this matter in the future?

[Alfonsin] The direction will remain the same. We have made great efforts to create an awareness about the political nature of our foreign debt. Through long efforts with other Latin American countries, we have managed to hold the so-called Cartagena meetings. I believe that we are succeeding in our effort to raise the awareness of the needs of Latin America. We are paying less interest than originally contracted. We have held separate renegotiations to pay the interest, which totals about \$2,5 billion per year. We are paying less than we should have. This is the policy we will follow, depending on the country's possibilities. The creditor countries are following a contradictory policy that limits our export possibilities because of their protectionist measures. But the creditor countries still want us to pay the interest on their credits. We also believe that we must continue to try to penetrate foreign markets. As for the Paris Club, we have already worked out our problems with almost all its member-countries. We still have to do so with the Netherlands, with which we have problems over (Codalco), and with Israel. These are the only two countries with which we still have to reach agreements. We are expecting the IMF to disburse the last installment of the loan it extended to us, and we do not expect any difficulties.

We will continue to work so that our creditors understand that Argentina will try to meet its obligations, without hampering its development, which is the guarantee that it will pay its debts.

[Question] Mr President, you are preparing for a trip to the Far East. We understand that by mid-July you will travel to Japan. Does this mean that Argentina is going to look for Japanese investments in the future?

[Alfonsin] We want to strengthen our relations with Japan in areas. In the field of investments... we are interested in increasing trade, studying, credits, the different possibilities for the transfer of technology, and all this will come by strengthening relations with Japan. This is what we will try to obtain. This is very important for us, not only because of what Japan represents, but also because of what Southeast Asia represents.

[Question] Mr President, I would like to ask you about a case linked to some government interests: the Sivak case. I would like you to explain if some of the consequences of this case, such as the Congress' questioning of the interior minister and the resignation of Defense Minister German Lopez, have harmed the image of your administration. That was my first question. I would also like to ask if you have received Sivak's relatives, as you said you would about 3 weeks ago?

[Alfonsin] Regarding your first question about the deterioration of the image of my administration, I would say that any criminal action that remains unsolved should harm the image of any government. However, I believe that we must make some special considerations regarding this case.

I believe that our democracy allows these discussions to be known by the public. I think that this is a not only convenient, but also positive and necessary. However, as I said at the beginning of this press conference, as long as problem is not turned into a matter of opposition or officialism. We must struggle together to try to solve this sort of problem, which is far more difficult than what people think, because there is nothing harder than trying to probe into the intelligence services, right?

Then, what we want, that is, what we wish, is to put all our best efforts in trying to solve all problems. However, there are always difficulties. Regarding my meeting with his relatives, it has still not taken place.

[Question] Mr President, about the Sivak case, how long will...

[Alfonsin, interrupting] I cannot hear you.

[Question] Again regarding the Sivak case, how much longer will the disorganization of the intelligence services last, and when will a central intelligence service be (?created)?

[Alfonsin] You have called it disorganization, and I believe that you are not totally wrong in your description, because the whole thing really needs to be organized. The central intelligence service will be modified. I believe that in about a month we will have a new structure in the central intelligence service.

[Question] Mr President, about this subject, Deputy Juan Carlos Pugliese, president of the Chamber of Deputies, this morning said he favors creating a new ministry that would be called the security ministry.

It could include the central intelligence service, the federal police, and the prefecture and the border police organizations. This would leave the Interior Ministry with a solely political character. In your opinion, is this reorganization possible?

[Alfonsin] We would first have to modify the Constitution.

[Question] Mr President, in your speech on 1 May you admitted that the government has made mistakes. The idea that the government has made mistakes was reiterated during the congressional questioning of Interior Minister Troccoli. I would like to ask a concrete question: Do you believe that the government has made mistakes on matters of security?

[Alfonsin] Yes. I believe that no government in the world, whether national, provincial or municipal, can be free of mistakes on security matters. If mistakes were not made, then everything would be fine, everything would be clear and solved. Therefore, in answer to your question, I have to say that mistakes have probably been made. I am only answering in general terms a question made in very general terms.

[Question] Mr President, regarding the security issue, you have pointed out the need that both the government party and the opposition work together in the delicate issue of the security services. My question refers to a comment that questions how it was possible for the government party to stop the questioning of the interior minister on a motion by a congressman, thus ending the investigation being conducted by Congress. In addition to that, there is a group of opposition senators who also want to question not only the interior minister but also the defense minister on this issue I would like to ask, was the decision to stop the questioning in the Chamber of Deputies made to protect the future of the interior minister? Is what the president of the renewal sector of Peronism, Mr Manzano, said true? Is the interior minister about to resign, and is he going to be replaced by the under secretary of the interior?

[Alfonsin] I am very surprised by the first question from a veteran congressional journalist who has seen many congressional questioning sessions. First of all, you know that the questions were asked because we wanted them asked, because we have the majority in the Chamber of Deputies. The government has nothing to hide. The government brought a problem upon itself because we wanted to speed up the process, and as everyone knows this bothered Mr Lopez [former Defense Minister German Lopez]. The government wanted the questioning. The deputies of the majority party voted for it.

You know that congressional questionings generally end the same day or the following day at the latest. In this case the questioning lasted 20 days, 3 weeks. There was nothing else to ask. If you read the congressional records, you should have realized that the same questions were being asked over and over and that the only thing that was being created was an unfavorable atmosphere, and nothing else. Therefore, this is the reason why the questioning was stopped, as is done in any congress in the world where the opposition wants to go on because in some way it creates problems for the executive branch, but this is within the rules of democracy.

The government has shown that it has nothing to hide, nothing shameful to hide in Argentina. If there was really something shameful to hide, I would have gone to Plaza de Mayo to shoot myself by the pyramid, because the atmosphere that was created was really incomprehensible.

That is the only reason the questioning was stopped. All the blocs had all the time they needed for questioning. Therefore, this case is very clear. We were the ones who facilitated the debate.

Regarding your second question, Troccoli has my complete trust and will continue as interior minister.

[Question] Mr President, the Defense Ministry, on your orders, gave instructions to the prosecutor of the Armed Forces Supreme Council to speed up the pending judicial process against Armed Forces personnel. This is going to be an important issue during the questioning of the defense minister to be conducted in Congress in a week. There has been harsh criticism of the Defense Ministry. Some sectors have said that this is a deceptive full-stop device. What is your opinion of this issue?

[Alfonsin] I believe that the activity conducted by the Argentine Government in this field is unprecedented, not only in Argentina but also in the world. Whether this is a full stop or not, I believe that we have given enough proof in this and other areas that the executive branch, the government in general, does not resort to deceptive devices to hide its real objective. The idea here was to speed up a process that needed acceleration because only by speeding up the process could we move ahead fast. This was necessary, not only for the defendants who could not be held without a sentence too long but also healthy for democracy and the country as a whole, and it does not interfere with judicial decisions whatsoever. In other words, the judicial branch remains independent and can make its own decisions.

We only wanted to speed up the process. It does not contradict Point 30 of the sentence given by the Federal Appellate Court or sentences that have already been made. Obviously, when we talk about sentences we are referring to aspects related to real sentences made in the trial of the former junta members and not those who have not yet been sentenced. It also does not include the atrocities committed. Therefore, the position of the executive branch is clear in this regard.

[Question] Regarding the Defense Ministry issue, I would like to ask your opinion on the resignation of German Lopez.

[Alfonsin] I regretted his resignation very much. You know very well that he is a great friend. As he said, he was very much annoyed when he was taken to Congress for questioning without prior notification. I really regretted that situation, but he remains my friend.

[Question] If my colleagues allow me, I would like to change the subject. Sir, could you tell us what benefit Argentina has obtained from its nonalignment with either of the two socioeconomic systems that lead the world?

[Alfonsin] Which of the two would be your option?

[Question] I will not tell you...You are the government and may have...

[Alfonsin, interrupting] I believe that we are in the right position, the historical Argentine position of trying to maintain mature relations with both the Soviet Union and the United States. This position seems to be of great help to our country.

We have common interests with the United States, and we also have different and even opposite interests sometimes. But we do not want to follow any extreme trend. Some openly want us to align ourselves as part of an empire, and others want us to oppose U.S. policy. Well, this is not the position of the Argentine Government. We are in the Nonaligned Movement for other reasons. As I have made clear in lectures I have given, we are part of the Western culture: We defend democracy and freedom. But we do not accept colonialist positions, confrontations that involve other sectors in the South. There is not only the East-West problem. There is also a North-South problem, and the defense of the interests of the South in conjunction with other Latin American nations. A fundamental tenet of our foreign policy is that the Latin American nations should be integrated so that solutions can be found to economic aggressions from the most developed countries. Well, I believe that our independent position is beneficial for us. This is the best answer I can give to your question as to what benefits we obtain from nonalignment. I believe that we must be independent to grow and develop. Being independent means not being aligned with either of the two major powers.

[Question] This past weekend the Contadora Group and the Contadora Support Group met in Panama, and they presented the latest of the Central American peace act. Despite the cautious optimism of both groups, I would like to know which conditions in Argentina's view are necessary for this act to be implemented, and what could Argentina do so that this peace effort will not fail, considering that this is the latest proposal to attain a negotiated peace?

[Alfonsin] I believe that, as you said, cautiously optimistic about the development of the Contadora talks, and particularly regarding the most recent meeting in Panama, that the problem lies in the question of reciprocal guarantees among all parties, that is, the five Central American countries and the United States, of course -- on the one hand, guarantees that subversion will not be fomented in neighboring countries and, on the other, guarantees that subversion will not be promoted in Nicaragua. This fundamental, that such guarantees can in fact be offered. I believe that this is the core of the question, and certainly it will keep the Contadora Group busy in the coming months. Of course, the economic and social aspects, which are rather fundamental in the region, must not be forgotten.

CGT Reply

PY122240 Buenos Aires Domestic Service in Spanish 1600 GMT 12 Jun 86

[Report from the General Confederation of Labor headquarters by reporter Pedro Guggiari Baez]

[Text] The press conference called by the General Confederation of Labor [CGT] began after a 2-hour relay. It was held on the third floor of the CGT building, in the library where the CGT council normally meets. This press conference was a reply to yesterday's presidential press conference held in Government House yesterday.

In a 2-page document, CGT leader Ubaldini explained the labor organization's position on tomorrow's strike and on the Austral Plan, of course.

In part of his message, Ubaldini said that the CGT is going on strike to consolidate democracy [as heard]. He also criticized the Austral Plan, saying that it was drawn up by the IMF. The CGT, therefore, requests the president directly intervene to change the economic policy guidelines.

[Begin Ubaldini recording] Tomorrow we will paralyze the whole country. A great silence will be the response to so much insensitivity and misery. Let these 24 hours of strike, without television, depriving the government of a means to emit its rhetoric, serve to make it reflect on its responsibilities rather than blaming others.

History never withdraws or waits. Time does not pass in vain. It is either success failure. We pray to the almighty Lord that during the next 24 hours the government will finally face reality and vigorously react against misery, dependence and injustice. [end recording]

This was the end of Ubaldini's document, which made a general evaluation of the sociopolitical situation and harshly criticized the Radical administration.

LABOR MINISTRY ISSUES COMMUNIQUE ON CGT STOPPAGE

PY140310 Buenos Aires TELAM in Spanish 2349 GMT 13 Jun 86

[Text] Buenos Aires, 13 Jun (TELAM) -- In view of the general stoppage organized by the General Labor Confederation (CGT), the Argentine Government this afternoon made an appeal to the workers to reflect and calmly realize that the current difficulties can only be overcome through dialogue and the joint effort of the labor and production sectors. This is expressed in a communique issued at Government House by the Labor and Social Security Ministry which states that the measure of force was observed to a larger degree by the industrial sector and to a lesser degree by public services and commercial sectors. The communique was released at the end of a meeting held at Government House by Interior Minister Antonio Troccoli, Interior Under Secretary Francisco Mugnolo, and Labor Secretary Roberto Bigatti during which they analyzed the development and scope of the stoppage.

The following is the text of the communique: The sixth general stoppage organized by the CGT since the constitutional government assumed power was held today. Despite some incidents against the public transport, aimed at thwarting the freedom to work, the sixth stoppage was held with the characteristics of previous similar measures, during which it was noted that the measure was observed to a larger degree by the industrial sector and to a lesser degree by the public services and commercial sectors. Once again the Labor and Social Security Ministry makes an appeal to the workers to reflect and to calmly realize that the current difficulties can only be overcome through dialogue and the joint effort of the labor and production sectors.

Communist Party Hails Strike

PY150148 Buenos Aires DYN in Spanish 2143 GMT 13 Jun 86

[Text] Buenos Aires, 13 Jun (DYN) -- Athos Fava, secretary general of the Argentine Communist Party today said that the strike which the CGT staged was an "impressive repudiation of the Austral Plan," and "an example of the combative spirit and discipline of the workers."

In a Communist Party communique Fava indicted that "this combative spirit has not been undermined by psychological campaigns aimed at proving that the struggles for just economic and social demands seek to destabilize the government." Fava concluded by stating that "the coupist ultraright is still operating unhindered within the intelligence community and the upper military echelons with government approval," adding that the government "prefers to continue paying the interests on the foreign debt at the expense of large popular sectors who suffer from hunger and malnutrition."

GARCIA MEZA REPORTEDLY IMPLICATES PAZ IN DEALINGS

PY131446 Madrid EFE in Spanish 2207 GMT 12 Jun 86

[Text] Sucre, 12 Jun (EFE) -- The Bolivian Supreme Court has finished questioning former President Luis Garcia Meza, the principal defendant in the misconduct trial against the de facto regime which ousted Lidia Guilier Tejada's constitutional government in 1980.

The prosecutor has asked the court to detain General Garcia Meza, while the defense counsel has stated that the questioning shows that there is insufficient evidence to proceed.

Garcia Meza's final comment last night scandalized Bolivia. He said that President Victor Paz Estenssoro had cooperated with his de facto regime. Asked about a \$50-million farm machinery importation deal which proved unsuitable for the country, Gen Garcia Meza said: "President Paz Estenssoro advised me on agrarian matters."

The court questioned Garcia Meza on eight counts which Congress has filed against him. They include armed rebellion, murder of political and labor union leaders, economic crimes against the state, and violations of human freedoms and rights.

Denies Paz Involvement

PY141758 La Paz La Red Panamericana in Spanish 1230 GMT 14 Jun 86

[Text] In statements to the media in Sucre, the national capital, former General Luis Garcia Meza told the national press: "As president of the government for the national reconstruction of the Armed Forces, I did not contact Dr Paz Estenssoro personally at any time."

He explained that his government purchased farm machinery and raw materials through a contract with the Argentine enterprise Puerto Norte, aiming only at strengthening agrarian reform, which was promoted by Dr Victor Paz Estenssoro, "whose ideas inspired me to carry out this operation," he added that all measures adopted during the government for the national reconstruction of the Armed Forces are his responsibility, and reiterated that, during his government, he did not contact current President Paz Estenssoro personally.

Former President Luis Garcia Meza concluded by saying that President Paz Estenssoro deserves our greatest respect for his work in favor of the Bolivian peasants during the 1950's

DEFENSE MINISTER ON PROTECTION OF SUPREME COURT

PY140359 La Paz La Red Panamericana in Spanish 1700 GMT 13 Jun 86

[Text] Defense Minister Luis Fernando Valle said in Government House a few minutes ago that after holding a meeting, the Armed Forces commander in chief, Armed Forces commanders, and his ministry arrived at the conclusion that there are no irregular groups acting in the Chapare region.

As is known, there have been some such reports out of Cochabamba recently. In conclusion, and after recalling the M-19 guerrilla occupation of the Palace of Justice in Bogota, Colombia, he said that some new measurers have been adopted.

[Begin recording] This is a response to a request made by the Supreme Court. One must not forget what happened in Latin America when the installations of a supreme court of justice were the unfortunate object of an attack. Therefore, the Supreme Court has requested military police protection. This protection will be withdrawn only upon a Supreme Court request. The Armed Forces will not make distinctions among individuals. Any person who testifies at the Supreme Court will receive protection as long as the Supreme Court deems it necessary. [end recording]

These were the statements by Defense Minister Fernando Valle, who added that the Armed Forces are acting within a constitutional framework which they will not transgress.

BARTHELEMY ON ARCE GOMEZ, COB LEADERS' SUMMONS

PY131558 La Paz La Red Panamericana in Spanish 1130 GMT 13 Jun 86

[Excerpts] Interior, Migration, and Justice Minister Fernando Barthelemy has said that so far neither Luis Arce Gomez [interior minister during Garica Meza's administration] nor his representatives have requested special guarantees to remain in the country. He said that he had not received any news of the former minister's stay in the country, but he explained that everyone involved in Garcia Meza's trial has the same legal right to protection by the authorities.

Minister Barthelemy said that Bolivian Labor Confederation [COB] leaders and other labor union leaders who urged people to disobey the new tax reform law have received notices summoning them to the ministry. If they do not appear, arrest warrants will be issued against them.

[Begin recording] The law is very clear. If a person is summoned for questioning on charges against him and he refuses to appear, the law will be applied and an arrest warrant issued to force him to appear. In this case some labor union leaders have been summoned by the ministry for having committed the crime of urging the population to oppose and not comply with the laws of the republic. [end recording]

SECURITY FORCES RAID COLLEGE; STUDENTS ARRESTED

PA140348 Paris AFP in Spanish 1445 GMT 13 Jun 86

[Text] La Paz, 13 Jun (AFP) -- Sacred Heart College director, Father Enrique Oizumi, today denounced in Sucre that the Sacred Heart College of Sucre (the historic Bolivian capital), which is run by Jesuit priests, has been violently raided by state security forces. In statements to the press, Oizumi stated that the raid was conducted against the college's library, where dozens of youths were studying. Oizumi explained that the police agents started punching and kicking the students and then arrested them, transporting them in trucks. Oizumi stated that there is no justification whatsoever for the government's behavior and that the necessary explanations will be demanded from the authorities.

In this regard, it was recalled that the trial of former de facto President General Luis Garcia Meza is taking place in Sucre. Garcia Meza is being tried by the Supreme Court of Justice on charges of murder, human rights violations, and embezzlement of public funds.

\$1-BILLION ARMS SALES DEAL WITH LIBYA DISCLOSED

PY150125 Sao Paulo FOHLA DE SAO PAULO in Portuguese 14 Jun 86 p 5

[Text] Vale do Paraiba -- Late last month Brazil signed a \$1 billion contract with Libya covering the sale of military equipment manufactured by Brazilian companies. Libya has purchased several EE-9 Cascavel armored cars, EE-11 Urutu armored personnel carriers, EE-3 Jararaca scout cars, which are manufactured by the Specialized Engineers Inc. [Engesa]; and Astros-2 multiple rocket launchers equipped with SS-40 and SS-70 rockets, which are manufactured by the Brazilian Aerospace Industry [Avibras]. These two companies are located in Sao Jose dos Campos, 97 km northeast of Sao Paulo.

Negotiations for this sale date back to last December when Libyan Ambassador Farage al-Seiti held secret talks with Brazilian Foreign Ministry officials. At that time it was decided that a Libyan military mission would come to Brazil in February this year to inspect the Brazilian weapons. This visit was later canceled as a result of the Libyan-U.S. conflict.

The contract includes the marketing of manufactured Brazilian products and technological assistance for the installation of steel, petrochemical, food, textile, electronic, and light weapon industries (manufactured by the Ordnance Industry).

Itamaraty officials and businessmen from the arms manufacturing industry led by Engesa President Jose Luis Whitaker Ribeiro -- a personal friend of Colonel Mu'ammarr al-Qadhafi of Libya -- have been to Tripoli to put the final touches on the contract.

It is still not known whether these arms will be shipped directly to Tripoli, or whether they will be sent through another country: They could be unloaded in Spain, Mauritania, or even Algeria, and then forwarded to Libya.

On 13 January, FOLHA carried an exclusive report about the signing of this contract. The report, however, was denied by Itamaraty and by reporter Roberto Godoy of the newspaper O ESTADO DE SAO PAULO.

EXPORTS ROUTED THROUGH LENINGRAD TO PERSIAN GULF

PY131819 Rio de Janeiro O GLOBO in Portuguese 12 Jun 86 p 20

[Text] Santos, Sao Paulo -- Brazilian shipments for ports on the Persian Gulf, a high-risk zone, are increasingly being routed through the Soviet port of Leningrad. There they are loaded on trucks for the trip to their final destination. This is being done mainly with shipments to Tehran, Iran, and Kabul, Afghanistan.

This triangular route, known as the "red connection" in Santos transportation circles, is made possible by the Soviet Baltic Shipping Company. This company is offering the service twice a month from the port of Santos. The route the Soviet vessels take includes other South American ports, then Antwerp (Belgium), Hamburg and Bremen (FRG), and, finally, Leningrad.

This service offers security and reliability on delivery dates for export cargoes to an area of frequent military confrontations. Thanks to the guarantee of overland transport through the Soviet Union, this route is preferred by many importers who want their purchases to arrive safely.

The general feeling is that as the crisis continues -- relief of tensions in the area is considered unlikely in the short term -- the so-called draw-back operations might significantly increase in coming months. The draw-back operation consists of the re-export of products bought from third countries and locally manipulated to make them appear as Brazilian finished products, for instance, by changing their packing. This method may increase, although indirectly, Brazilian sales to countries such as Iran, Libya, Syria, and the United Arab Emirates.

This past midweek the vessel Nadezta Krupskaya from the Baltic Shipping Company left Santos loaded with 2,000 tons of instant coffee, paper, cellulose, and machinery. Most of this cargo was destined for Iran and Afghanistan, through the "red connection." On 24 June, the ship Nikolay Tulpin will repeat the operation.

The Cory Irmaous Agency, which represents the Baltic Shipping Company in Santos, will not reveal the percentage of cargo that is using this triangular route. It has reported, however, a considerable increase in requests for information on the "red connection" in recent months. Officials from the Foreign Trade Department of the Bank of Brazil (CACEX) estimate that 37 percent of the shipments headed for the Soviet Union have other final destinations.

This shipping alternative may soon call for an increase in the number of vessels plying this route. This, according to the representatives of the Soviet shipping company, will not only offer a guarantee for Brazilian shipments to the areas in conflict but also the means with which to expand commercial relations with the Soviet Union.

EMBRAER SELLS 30 TUCANO PLANES TO VENEZUELA

PY131940 Rio de Janeiro 0 GLOBO in Portuguese 12 Jun 86 p 22

[Text] Sao Jose dos Campos -- At a brief ceremony to be held this morning, the Brazilian Aeronautics Company will begin delivering the 30 Tucano military training planes purchased by the Venezuelan Air Force at the beginning of the year. Venezuela, the sixth country to buy this model, will be represented at the ceremony by Air Force General Justo Evaristo Saavedra, and the deliveries will be completed by the end of next year. This \$36-million (498.2 million cruzado) contract, was among the slowest to be signed, because negotiations lasted more than 2 years. The Venezuelan opposition strongly opposed it in Congress but, once again the Tucano beat the Swiss Pilatus PC-9, its strongest rival on the international market.

With this contract, Embraer has sold more than 400 Tucano planes, and is now in the final stage of negotiations with Argentina, Jordan, Parana [as published], Peru, among other countries with which it expects to sign contracts for the sale of more than 250 planes. This week, Embraer completed delivery of 12 Tucano planes bought by the Honduran Air Force. The first eight planes were delivered last year in an operation which the Embraer tried to keep secret because there were strong indications that the planes would be used in antiguerrilla operations. The last four planes flew to Honduras on 9 June.

NEW PS SECRETARY GENERAL DISCUSSES STRATEGY

PY141448 Santiago HOY in Spanish 9-15 Jun 86 p 9

[Interview with Secretary General of the Chilean Socialist Party Ricardo Nunez Munoz by HOY reporter Alejandro Guillier; date and place not given]

[Text] [Guillier] How do you explain the unusual consensus by which you were elected Socialist Party [PS] secretary general? [Ricardo Nunez was elected unanimously]

[Nunez] We came to realize the sad history of the PS and we socialists do not want any further splits. There is also a change of political style. We have learned that disagreements make us wiser and do not affect the common course of action. Furthermore, agreements within the party on the main objectives and strategies have been strengthened.

[Guillier] Will the fact that you are the secretary general now change the PS political proposal for the attainment of democracy?

[Nunez] The majority of the people in the nation want changes that can bring about justice, freedom and democracy. Thus, we are proposing the creation of a bloc in favor of these changes in order to make a future democracy manageable. We call on parties and social organizations for a broad agreement. I have in mind the left, the center and even the progressive right. This democratic bloc should seek the democratic changes that Chile wants. Undoubtedly this means overcoming the habit of turning our backs on the centrists when they are in power, or plotting against the left. The idea is to undertake a commitment to support all the essential changes that the country needs, regardless of the sector in power.

[Guillier] Some sectors of the Democratic Alliance [AD] want a program of government. Is this compatible with the thesis that advocates a coalition in favor of changes?

[Nunez] The important thing for the political parties is to agree on the ways and means to attain democracy, make it stable and place it at the service of the large sectors. This agreement to keep the process of democratization under control must come before any electoral pacts. To set up a government made up only of members of the AD would amount to plunging the country into anarchy, in which no effective control could be assured. We insist that a transition to democracy calls for a national unity government in which every democratic sector would have its rights protected.

[Guillier] The leaders of the National Party believe that the National Accord for the Transition to Full Democracy is the basis for a unity government. Do you agree with them?

[Nunez] The National Accord includes sectors ranging from the left to the right and it does offer some prospects for a broad agreement. If the MDP [Popular Democratic Movement] and the Communist Party [PCCh] can show that they are willing to respect the essence of this accord, the situation of the country and the whole meaning of the social mobilization would change. There would be a glimmer of a manageable democracy, and that is why we are part of the National Accord. We believe that the Accord can supply a formula for a transition to democracy.

[Guillier] What are the tasks that must be carried out to make transition to democracy possible?

[Nunez] The struggle against the dictatorship comes first. No transition is possible if the people do not express themselves and Pinochet will not let them. Therefore the people have the right to rebel. We must creatively develop civil disobedience. The PS will support with reservations the Civic Assembly and the national strike slated for 2 and 3 July. The other task is the attainment of the broadest possible unity among the opposition. We must seek an understanding with the centrists and the progressive right as well as with other leftist groups. The MDP and the PC are part of the people even though their militaristic policy is actually playing into Pinochet's hands. The agreements we seek, however, must be capable of guaranteeing a peaceful transition to democracy.

[Guillier] Has any mechanism been developed?

[Nunez] We believe that there is the glimmer of a formula in the National Accord, but it must be improved through a pact for social justice in order to commit progressive forces to making changes to guarantee a workable democracy. Socialist unity comes next. Marxists, laymen, and Christians must contribute to the socialist culture, which will be vital in the future. This pluralist, free, and democratic culture must be capable of reaching an understanding with other groups that propose changes because alone they will be unable to prevail.

[Guillier] What is the PS strategy regarding the Armed Forces?

[Nunez] National unity includes the Armed Forces, but they must be convinced that they can no longer be gendarmes of their own people. If we can attain broad agreements we will show that our proposals are serious and the social mobilization will make the nation's desire for democracy quite clear. However, just as we reject the militaristic approach to politics, we also reject any negotiations that do not seek a swift and full democratization.

MDP EXPLAINS POSITION ON NATIONAL STOPPAGE

PY131716 Santiago ANALISIS in Spanish 10-16 Jun 86 p 15

["The MPD Proposal" by Rafael Maroto]

[Text] The daily events that Chileans are witnessing demonstrate that 1986 will be a very decisive year for the fatherland. The political proposal offered by the MDP [Popular Democratic Movement] and the call for a national stoppage on 2-3 July made by many social organizations should be considered from the perspective that this is indeed a decisive year.

The first point in our proposal demands the resignation of Pinochet, because there is no possibility for a transition to democracy while the current regime remains in power. Once the dictatorship has ended, we propose the creation of an emergency government to represent all the forces that are participating in the antidictatorial struggle, led by a democrat who would inspire confidence and draw the support of all Chileans. In addition to meeting the most pressing economic and social needs and fulfilling the demands for justice and human rights, this emergency government's main task will be to create in 6 months the conditions for the democratization of the country and its institutions, so that popular sovereignty can be fully exercised.

It is without doubt a proposal that reflects the MOP's generous effort to resolve the drama of Chile and to spare our people from greater suffering. The proposal calls for a basic political agreement that will make it possible to concentrate all efforts on a common objective: an end to the dictatorship as soon as possible.

Obviously, the demand for Pinochet's resignation alone will not inspire him to make a generous gesture. To think that Pinochet would make such a gesture would be more than naive. The number one priority, then, should be to put above anything else, through the broadcast political agreement, the aspiration for which the majority of Chileans are willing to struggle: The end of the regime. This common objective will highly motivate the popular forces, will stimulate their creativity, and will unleash an unstoppable uprising for freedom and democracy in Chile.

As we have said before, the level that this confrontation will reach, aiming to recover Chile's dignity, will depend on the level of the tyrant's resistance to relinquishing power. We are certain that the greater the unity and the political agreement of the opposition, the faster and less costly our victory will be. This is why, without surrendering our socialist and revolutionary convictions and sure that only an outcome broadly supported by the people will ensure a stable democracy after the dictatorship ends, we would like our proposal to be accepted and converted into an energizing force for the democratic struggle.

This is why we see a stoppage scheduled for 2-3 July. The Civic Assembly, through its document Chile Demands, expresses the aspiration and the needs of broad popular sectors. The national stoppage could successfully contribute to the implementation of the Chile Demands document. The political agreement proposed by the MOP, which is trying to set a common path for the transition from dictatorship to democracy, extends a call to the most varied and broadest social sectors to participate in the national stoppage. From this perspective, actively participating in the struggle now taking place, we should organize a successful national stoppage to deliver a hard blow to the dictatorship and to open a clear road to victory.

CONFECHE SECRETARY ANNOUNCES EXTENDED STRIKE

PY132320 Madrid EFE in Spanish 1407 GMT 13 Jun 86

[By Luis S. Saavedra]

[Text] Santiago, 13 Jun (EFE) -- The Secretary General of The Chilean University Students Confederation (Confech), Humberto Burotto, confirmed today that a national student strike will begin on 16 June. Confech is a group of student organizations from the 17 most important Chilean universities. Burotto, who is the president of the influential University of Chile Student Federation, is now the secretary general of Confech. Burotto explained that the strike, which begins on Monday, will end when "the strike called by the National Civic Assembly (ANC) begins." The ANC, which is made up of the 18 most important social organizations in opposition to the regime of General Augusto Pinochet, had called for a strike on 2-3 July.

Initially, the students' strike was to end on 3 July, but Burotto said that "that date can change if the ANC so decides or if events should make a change advisable." Burotto explained that the "extended national strike" by the students is primarily intended to pressure the government to allow "the universities themselves to appoint their academic heads." Since the beginning of the year, Chilean university students have been periodically demanding the end to the system of government-appointed rectors which has been in effect since the military regime came to power. Under the current system, the university rectors are appointed by the chief of state, who is also the "patron" of the University of Chile -- the country's most important university - by statutory provisions.

Burotto told EFE that, in this stage that is called transition, the student struggle is intended to support a proposal for university self-government that we have made, a proposal that did not even raise the question of student participation. Burotto said that the proposal can be summed up by the phrase "an end to the system of government-appointed reactors will not mean chaos."

Among the activities that will take place during the "extended strike," Burotto emphasized the campaign of solidarity with the slum dwellers in the wake of the massive police searches. It will be a campaign to collect nonperishable food, medicines, and construction materials, and is scheduled for 21-22 June. The truckers and taxicab unions will participate in this public campaign. At an earlier date, not yet specified, the students intend to occupy all university premises for one hour. At noon on 19 June, they plan to hold a massive rally near one of the university buildings in downtown Santiago.

The university leader expressed the youths' hope in the ANC, which, he said, is "the first national organization of dissidents which shows that the students are not alone in this struggle." Burotto also said that the university problems should be solved as soon as possible, because "we are running against time and the present student leadership has shown that it is reasonable." If our demands are not heard, Burotto finally said, no one can be surprised if in the future, the new university leaders should adopt positions that are different from the peaceful position of the current university leaders."

WOMAN WOUNDED; # DEMONSTRATORS ARRESTED

PY140025 Paris AFP in Spanish 2245 GMT 13 Jun 86

[Text] Santiago, 13 Jun (AFP) -- Police sources have reported that a young woman received a bullet wound and at least three demonstrators were arrested today in Santiago during the 4th day of disturbances which were repressed by the police. The demonstrations took place in different areas of Santiago with the participation of high school and university students who reject the decision made by the government of General Augusto Pinochet to transfer state schools to municipalities. Witnesses reported that Guadalupe Chamorro, 19 years of age, was shot in the head during clashes near Villa Espana, north of Santiago.

Carbineros used water cannons and tear gas against the students who set up barricades on Irrazabal Avenuen, in the southern sector of Santiago. Carabineros used the same method to disperse about 50 women who gathered in front of the La Moneda presidential palace demanding that officials explain the whereabouts of their missing and arrested relatives. According to reporters in the area, three demonstrators were arrested while drivers riding on Bernardo O'Higgins Avenue blew their horns as a sign of condemnation of the police action.

MINISTER ON POLICE ACTIONS DURING DEMONSTRATION

PA131541 Quito Radio Quito in Spanish 2350 GMT 12 Jun 86

[Statement given by Government and Justice Minister Luis Robles Plaza at the Government Palace in Quito -- live]

[Excerpts] The president of the republic has very clearly given specific orders to the National Police. [Words indistinct] we respect that institution. As I have told you repeatedly, in addition to the normal restraint, or if you like, strictness, with which we want the police to act, and very (?especially) when attacks take place that may involve terrible dangers for the institution, I have always stressed that police actions must correspond to the dimensions of the attacks against them. This does not mean in any way that that we are determined to [word indistinct] any excess or abuse with the utmost vigor. I am going to give you a copy of a letter I received from the president of the republic. The letter reads as follows:

Mr Minister: After learning of the tragic death of one citizen during this morning's violent demonstrations in Quito, please begin a strict, rigorous, and thorough investigation [words indistinct]. Report to me at once about the conclusions reached and sanctions that must be imposed on the guilty persons. The entire country can attest to the unprecedented support and backing which my government has given to the police institution, which has the lofty and fundamental task of ensuring domestic order and respect for the basic rights of every person. This support and backing will continue with the [words indistinct]. However, no police member or citizen in the republic is authorized to perpetrate abuses or go to beyond one's rights regarding self-defense. Therefore, the person or persons whom the investigations find guilty of the regrettable incidents of this morning, will be sent to the appropriate courts and will receive exemplary sanctions established in Ecuador's legal system.

Sincerely,

[Signed] Leon Febres Cordero, constitutional president of the republic.

Here are copies of this letter.

According to the latest reports and investigations we have received, here is a report regarding the actual incidents. One citizen was killed, one. He is Fernando Patricio Aragon Andrade, a youth. We have learned that he was a first year student of the central University's faculty of clinical psychology. According to the reports, and this will be clarified by the autopsy, this young man died from a gunshot wound in the chest.

Two other young men were injured. They are [name indistinct] Robles and Juan Carlos Torres.

I immediately ordered police members to begin preliminary investigations in order to establish which of the policemen in the Mobile Squad [Escuadron Volante] should be held responsible for this regrettable incident.

The second lieutenant in charge of the small squad, as well as its members, are now under investigation. They are in custody at the Quito Regiment garrison. Of course, a ballistic investigation is under way to correctly establish who is to be held accountable. I want you, and the country in general, to know, although I may be repeating a statement by President Leon Febres Cordero, and what I said at the outset, that the support we give the police and will continue to give is one thing; not to react against abuses of this nature is quite another.

MINISTER ON POSSIBLE U.S. TRADE RESTRICTIONS

PY131823 Asuncion EL DIARIO in Spanish 13 Jun 86 p 13

[Text] EL DIARIO NOTICIAS on 12 June questioned Justice and Labor Minister J. Eugenio Jacquet on a report that the U.S. Government might restrict the importation of some Paraguayan products, allegedly due to labor organization pressure. The minister replied that "we have to adjust ourselves to the situation, not because we are yielding to pressure but because it is good for our country."

Reliable sources have said that the AFL-CIO has pressured the U.S. Government to restrict the importation of goods under the General System of Preferences (SPG) from those countries in which workers do not enjoy full freedom to organize and voice their demands.

The sources said that the minister discussed the issue with U.S. Ambassador Clyde Taylor. Asked about this, the minister said: "That is right. I talked with the ambassador on the SPG, which Paraguay will renegotiate in August 1986." Jacquet added that "under the SPG, the United States grants some benefits to developing countries. The SPG accord for Paraguay expires in August and must be renegotiated."

The minister added: "It seems that the Paraguayan Journalist Union (SPP) and the metalworkers union (Sinoma), which have joined the Inter-Union Movement, contacted the Inter-American Regional Organization of Workers (ORIT), the ICFTUO [International Conference of Free Trade Union Organizations], and the AFL-CIO to report that some unions are not recognized here."

Jacquet pointed out that "I do not know whether the unions leveled a charge or submitted a report. But the information originated here, and the AFL-CIO wants to know whether it is true. That is what I discussed with the ambassador." "Our answer will reflect our position. Obviously, if we have to adjust ourselves to the SPG conditions, we will do it," he added. "If we fail to renegotiate the SPG accord because of labor pressure, it will be the result of the action of Paraguayans against Paraguayan interests," he stressed.

Jacquet added: "I agree that if it is good for our country, we will have to adjust ourselves. But if this situation harms our country, it will be the consequence of what some Paraguayans have done."

Under the SPG, which grants tariff and administrative preferences, Paraguayan exports to the United States reached \$16 million in 1984, \$3.7 million in 1985, and \$4.3 million thus far this year. The main export items are sugar, leather, shoes, clothing, and handmade articles.

PRC TRADE DELEGATION ENDS 1-WEEK VISIT

PY141657 Asuncion EL DIARIO in Spanish 14 Jun 86 p 13

[Text] Private business sources reported yesterday that our country may initiate direct trade relations with the PRC in a measure to expand the export markets. This week a PRC trade mission held private meetings in this capital. It ended its surprise visit yesterday, as was learned from the sources.

In the framework of a Latin American tour and as part of Beijing's drive to expand its trade links, a PRC delegation has visited our country for the first time, maintaining discreet meetings and talks with representatives of the private sector.

The delegation was headed by Liu Shaoshan, vice chairman of the China Council for the Promotion of International Trade (CCPIT). The PRC group included nine additional members, and its proposals have been received with particular interest by the businessmen, because of the sales possibilities in a market of 1 billion people. The PRC delegates showed interest in the offer of local export products. They also reported on the prospects of trade expansion in view of the fact that the PRC is now expanding its exports according to a policy of economic opening toward foreign countries, breaking with the canons of classic Moscow-style communism.

Paraguayan businessmen have expressed their satisfaction with talks held with the PRC trade representatives because the economic opening of that Asian country could mean a new market for our agrarian and industrial products. They have also said that Paraguay can trade with the PRC despite political and ideological disagreements that may exist between the two governments. Paraguayan private businessmen have often said it is important to open new markets for our products and that this would not mean any surrender of ideological principles, in the opinion of business sector representatives. To this end, the businessmen have requested expansion of trade with the countries of the socialist area because of advantages that may be obtained from such trade links.

Trade Talks Hailed

PY152255 Asuncion PATRIA in Spanish 13 Jun 86 p 13

[Unattributed commentary: "New Markets"]

[Text] The economic and financial organizations of mainland China have been increasing their commercial contacts not only with Europe and the United States but also, closer at hand, with the countries that border on Paraguay. These countries hope to benefit from this new market for their exports. Because the question of new markets is directly tied to the increase of production and the reactivation of foreign trade, it would appear highly advisable not to be left behind in this drive for new markets and the effort to encourage nontraditional exports. This means that the productive sectors of the nation must display imagination and decisiveness in approaching this issue. We know that the Paraguayan Banking Chamber is currently negotiating the terms most suitable for the interests of the country in an effort to attract this new trade which could well have a chain reaction effect on agriculture production, industry, and trade. It could also boost the interest in investing in Paraguay and this, as well as everything else, will stimulate the economy in general and in particular exports, the main source of foreign currency for the country.

These trade negotiations, which have become universal, surpassing ideological differences, should not be seen as part of any project to change Paraguay's foreign policy. This policy is clear-cut, firm, and in keeping with the country's tradition and the government's guidelines. The negotiations are merely a display of the natural and patriotic concern to enhance development and overcome the effects of the world economic crisis, which has been so harsh and extended, that new trade flows, a more flexible framework permitting competition, and favorable conditions will be necessary for countries that produce raw materials and agro-industrial goods to be able to overcome the widespread decline of the terms of trade with the industrialized countries, their traditional trade partners. New possibilities must be explored if we want to close the chasm between the prices of raw materials and industrialized, and the huge market of mainland China, no matter how petty the purchasing power of each individual may seem has great potential if taken globally and may yield honest profits without jeopardizing ideological positions.

Delegation Reportedly Expelled

PY152315 Asuncion LA TARDE in Spanish 14 Jun 86 p 7

[Excerpts] A delegation of PRC businessmen was apparently expelled from Paraguay last night. The Chinese businessmen arrived in Paraguay 3 days ago and were staying at a downtown hotel in Asuncion. They had entered Paraguay on visas obtained from the Paraguayan Embassy in Buenos Aires.

It would seem that the Communist Chinese businessmen were expelled after Taiwan Ambassador General Wang Sheng met with Paraguayan Foreign Minister Carlos A. Saldivar last night. At this meeting the Taiwan diplomat reportedly submitted a strong protest over the presence of PRC businessmen in Paraguay.

News media reported this morning that the delegation of PRC businessmen was made up of 10 persons led by Liu Shaoshan, vice chairman of the China Council for the Promotion of International Trade [CCPIT]. Semiofficial sources, however, indicated that the delegation was made of 3 persons who had come to Paraguay as investors.

No information could be obtained this morning from official sources on the expulsion of the Chinese businessmen who, according to sources of this newspaper, were put on board a flight to Bolivia last night.

The Embassy of the Republic of China in Asuncion did not supply much information on the steps that this embassy took yesterday to make mainland Chinese businessmen leave the country. Some members of this mission indicated that the visit could have led to a cooling down of relations between Paraguay and Taiwan. Within the framework of these relations, the Paraguayan president will visit Taiwan in November this year.

The 3-day visit of mainland Chinese businessmen to our country leads us to believe that they may have held contacts with local businessmen or representatives of the economic sector.

RADIO NANDUTI REPORTS END OF INTERFERENCE

PY140138 Paris AFP in Spanish 0135 GMT 13 Jun 86

[Text] Asuncion, 12 Jun (AFP) -- Spokesman for the embattled Radio Nanduti, the aggressive Paraguayan radio station that has been jammed for almost 1 month by unknown supporters of President Alfredo Stroessner, have reported that it was suddenly able to broadcast without any interference, even making calls abroad, beginning on 11 June.

The interference was discontinued 1 day before station owner and director Humberto Rubin was scheduled to meet with a UN observer of human rights. The UN observer arrived in Asuncion on 9 June to hold talks with representatives of various sectors of the citizenry on the subject of human rights in Paraguay. The Paraguayan Government has declared the UN observer to be its guest of honor, and he attended several receptions that the authorities held in his honor.

PARAGUAYAN COMMUNIST GREET'S LIBERATION MOVEMENT

For Soviet reportage of an interview with Ananias Maidana, member of the Paraguayan Communist Party leadership, see the Latin America and Caribbean Section of the 13 June 1986 Soviet Union DAILY REPORT.

BOMB BLASTS; SECURITY MEASURES FOR SI CONGRESS

PY141822 Madrid EFE in Spanish 1554 GMT 14 Jun 86

[Text] Lima, 14 Jun (EFE) -- Ten bomb explosions in Lima and seven in Huancayo occurred last night, while strict security measures have been established in this capital for the 17th congress of the Socialist International.

In Lima and its port El Callao, and in Huancayo, 415 km southeast of this capital, the attacks were mostly aimed at the offices of state companies. In Huancayo, three people were injured. In Lima and El Callao, eight offices of the drinking-water company, Sedapal, and two of the Lima power company were bombed. The police have reported that the explosions in Lima claimed no victims but that there was considerable damage. According to witnesses, the attacks were made by heavily armed individuals 2 hours before the 0100-0500 curfew went into effect in the capital and its port. The area is also under a state of emergency.

In Huancayo, three people, including a policeman, were injured by the explosions. The explosions took place at the fire brigade station, the Agrarian Bank, the drinking-water company, the City Hall, a sawmill, and other places. Specialists succeeded in defusing bombs planted at the Huancayo railway station.

In Lima, a Republican Guardsman was murdered yesterday by terrorists disguised as students. After killing him, they stole his gun.

The police have established a zone, strictly closed to traffic and the parking of vehicles, in the streets surrounding the Crillon convention center, where the meetings of the socialist women, the session of the Socialist International bureau, and the Socialist International congress will be held. The security measures will be in effect until 23 June, when the Socialist International congress will end.

Meanwhile, Msgr Augusto Vargas, secretary of the Peruvian Episcopal Conference, has denied statements he is supposed to have made, published yesterday in a Lima newspaper, that the Catholic Church will mediate between the government and the subversives. The prelate said that the conditions for mediation are not at hand because subversion clearly does not show any signs of wanting a dialogue.

Security Defended

PY131701 Madrid EFE in Spanish 0722 GMT 13 June 86

[By Marisol Marin]

[Excerpt] Lima, 13 Jun (EFE) -- Armando Villanueva, secretary general of the ruling American Popular Revolutionary Alliance (APRA), has stated that all necessary security measures -- which include the assistance of foreign experts -- have been taken for the Socialist International [SI] world congress to be held in Lima from 20 to 23 June.

At a dinner hosted last night for foreign correspondents, Villanueva said the Peruvian Government "has no objections to allowing duly authorized and accredited foreign experts to cooperate in security operations." He reiterated that "comprehensive security measures have been adopted."

Villanueva made these remarks shortly after receiving a telegram from EEC Commissioner Claude Cheysson, who regretted a recent unsuccessful attack on President Alan Garcia; and the announcement made in Sweden that Social Democratic leader Ingvar Carlsson will not be coming to Lima for security reasons.

On 7 June 4 people died when 3 bombs exploded before and after a ceremony presided over by President Garcia and attended by members of the Armed Forces general staff in downtown Lima.

Commenting on Cheysson's telegram, Villanueva said: We appreciate this message of support, but there has been no attack against the president.

Villanueva said that foreign press reports from Peru are often exaggerated and out of keeping with reality. He admitted, however, that "it would be naive to say that there is nothing going on."

Villanueva, a long-time APRA leader who will become president of the Senate in July, has been one of the few people who publicly advocated holding dialogue with the Shining Path "because democracy means dialogue, and we democrats cannot fail to promote dialogue." Villanueva also contended that terrorism "has quantitatively declined" in Peru, although "selective actions" have increased. He also denied recent rumors about tensions between the APRA government and the Army. He said: "There has been no friction." He said that the Armed Forces, which have complied with their constitutional duty, deserve our wholehearted respect.

ARMY, POLICE KILL 4 TERRORISTS, ARREST 16

PY131409 Lima Latinamericana Television in Spanish 0415 GMT 13 Jun 86

[Text] In a recent clash with a police patrol, three unidentified terrorists died and six others were arrested in the Soccos area of Aymaraes Province, in Apurimac Department.

The Armed Forces Joint Command today confirmed that the terrorists, who attempted to ambush the patrol, carried 2 Mgt machine guns, a G 3 rifle an FAL rifle, an M1 rifle, a (Shekado) rifle, 2 pistols, over 440 dynamite sticks, and Civil Guard uniforms of the Taparihua police.

On 9 June another terrorist was killed in a clash with an Army patrol in the (Dera) region, Huanta, in Ayacucho Department.

According to a report released today, 10 terrorists who had set the Pomacocha city council building on fire were arrested. Pomacocha is located in Andahuaylas, in Apurimac, where the terrorists also set several other houses on fire.

ECONOMY MINISTER ANNOUNCES NEW MEASURES

PY112242 Montevideo EL DIA in Spanish 6 Jun 86 p 22

[All quotation marks as received]

[Text] According to Economy Minister Ricardo Zerbino, a series of measures will be implemented some time this month with the objective of promoting exports. These measures include lifting taxes on imports for selected sectors.

Speaking at a meeting at the Parque Hotel, which was organized by the Hanns Heideel Foundation, Zerbino conformed the approval of a mechanism to promote investments and of other measures such a preferential energy rates for industries that operate at night. Zerbino also said that the May inflation rate was 2.4 percent, and that in the first 5 months of the year exports increased by 20 percent over the 1985 level.

The economy minister also confirmed that taxes and tariffs will be lifted on assets for selected activities or for companies that operate in the interior of the country. He said that there is no possibility, however, that a similar measure will affect income taxes in the industry and business sectors.

Regarding measures that will make the export sector more adaptable, Zerbino said: "We strive to establish a more adaptable all-encompassing mechanism to support priority export sectors. Specifically, this mechanism will lead to the lifting of taxes on imported goods that are not competitive with national industrial products. It will also specify that the drafting of an investment plan will not be necessary unless this is required because of the nature of the specific proposal that is submitted or because of the need to request some kind of financing or credit."

He added: "Therefore, any industrialist who wants to replace equipment or to invest in an export activity that is promoted or included in a list to be drafted, will simply have to verify his status as an exporter. He can then import the industrial equipment he needs tax-free, provided this equipment is not competitive with national industrial products."

Zerbino said: "I believe this will make the proceedings regarding the Industrial Promotion Law and the evaluation of projects at the advisory-unit level less complicated. With these measures, we will dispense with the requirement to draft and file an investment plan to replace two or three machines. We will do away with bureaucratic procedures and the requirement to hire special consultants. We believe that this represents very important progress, which will benefit priority sectors." He also said that all this does not invalidate the other alternative, that of declaring every industry to be of national interest. He said: "This concept is somewhat grandiose, and I do not agree with it." I believe that instead of declaring something to be of national interest we should establish specific areas of promoted activities so that those who are given this status do not feel privileged because they have special prerogatives. The only prerogative would be to enjoy certain privileges and consequently to exercise them in a responsible manner. But we believe that through the mechanisms included in the industrial promotion law, we shall be able to continue promote new projects and those that need incentives. We hope that shortly we shall be able to clearly define the type of fiscal benefits that will be granted."

"So as not to raise false expectations, we must note that the government does not intend to lift taxes or tariffs on the income of industries or businesses. We believe that any activity that yields profits resulting from lifting taxes on capital assets and other tariffs must pay taxes on its profits, if there are any. Such activities enjoy preferential treatment. This does not apply to taxes on assets."

"We will soon announce the lifting of these taxes for certain selected activities. Some additional measures will be announced if the industry is located in the interior of the country, and special treatment will be granted to long-term investments. Time is passing and we must be brief."

Zerbino also talked about other mechanisms "that we plan to implement before the end of June."

"I would like to refer to a comprehensive mechanism to promote investments in all production sectors. This is an accelerated amortization mechanism, which we believe is highly attractive, and which will be implemented, although temporarily, for 2 or 3 years. All investments made in this period will benefit from this measure."

"We believe this measure provides a very important solution to the problem of how to obtain investment returns, a factor which influences business decisions. We believe this is the best way to reduce taxes on profits. It is also the best procedure by which we can promote the reinvestment of profits of those companies that have them."

"We are also working with the Industry Ministry and the Bank of the Republic, and within a couple of days we shall make an announcement regarding a reduction in the cost of exporters' paperwork."

Zerbino said: "We must also announce that we are about to implement a plan that has been drafted with the cooperation of the General Administration of State Electric Power and Phones [UTE] board and technicians, and which is now being studied by the executive branch. This plan will grant a preferential tariff for those industries that consume electrical power at night."

Regarding some other initiatives that probably will not be implemented this month, the economy minister said: "We shall continue to study a method of prefinancing exports. We will adapt it to suit the requirements of the different sectors as we did recently with cheese and textiles, by extending the payment terms."

He added: "We are also trying to cope with some problems caused by the taxes on currency exchange. We shall attempt to remove this tax under the prefinanced scheme that is for the benefit of exporters."

Zerbino said: "There are other initiatives I wish to list, briefly so as not to make this too long. Soon we shall be submitting to Congress a draft law on 'leasing' [preceding word in English], and a draft law on the establishment of industrial and commercial duty free zones. We are also studying other areas of the tax sector, for example, to include the agricultural sector under the value-added tax. This will bring advantages to the sector because there will be a reduction on the tax burden. We want to simplify the relationship between taxpayers and the Internal Revenue Department. This will be done through a single monthly tax declaration form that will include value-added tax and other payments, which must be completed for income-tax purposes regarding industry, commerce and property tax. This single tax form will eventually be used as a bill of payment. It will be based on a system we hope will be in operation by 1987."

It is a system consisting of a single tax form to be sent by the International Revenue Department on a monthly basis through which the taxpayer will know his present tax situation."

"We believe this will result in the simplification of the handling of taxes of businesses and taxpayers in general."

Zerbino also said "We are fully aware of the importance of having stable promotional policies as well as stable macroeconomic policies. We would also like to say that the state does will only support and complement the creative and innovative undertakings of businessmen. In addition to the areas we have just mentioned, we believe that agreement must be achieved through better use of international economic and technical cooperation. Together with the Budget and Planning Department, we are studying the establishment of a special department to help businessmen to promote technical support in the technological and trade sectors by providing effective tools that will help resolve the basic problems usually confronted by businessmen, and to resolve problems in productive, technological, and marketing areas.

The economy minister added: "We are aware that the government is responsible for establishing policies that will lead to economic development and the improvement of people's standard of living. We are also aware of the great challenge that we face in drafting of these policies, and that we must make economic demands that are compatible with social justice. We believe that the government has granted proper attention to these issues in the policies that it has introduced, but we also believe that the government is not the only one responsible for achieving this undertaking."

"We believe that business companies have several responsibilities: To strive through all means available to be successful in the activities in which they are involved, to improve production levels, and to improve efficiency. This is essential for economic and social improvements.

"We believe that business companies have a social responsibility that may be defined as a requirement to aid the society in which they exist. We are convinced that the leadership of these companies take particular interest in the society in which they operate. This will be beneficial to them. They should be particularly interested in seeking ways to avoid conflicts." Zerbino said: "We believe that the business sector must be particularly interested in improving everything that affects the operation of the companies. This must be based on the acknowledgement of the dignity of human labor and on the promotion of the workers, because this is the way to achieve a better national social atmosphere and to improve the prosperity of our nation.

SANGUINETTI DISCUSSES DIALOGUE, AMNESTY

PY150028 Montevideo Radio El Espectador Network in Spanish 1600 GMT 14 Jun 86

"Portion" of a 2-hour news conference by President Julio Maria Sanguinetti with unidentified reporters at the presidential residence in Montevideo on 14 June -- recorded]

[Text] [Sanguinetti] In the 14 months of democratic government, the country has displayed the best of its tradition: a predisposition for dialogue and easy contacts between the leaders. One of the duties of the president is to keep dialogue alive in the country, and this dialogue must involve political figures, businessmen, and all those who represent the various sectors of the nation. From this point of view, the political leaders are privileged interlocutors.

My optimism with regard to this aspect has remained unchanged. I also believe that in these 14 months we have achieved a great deal in every sense. Sometimes, we tend to overemphasize our disagreements. This means that we must keep talking to enhance our agreements. I do believe that from this point of view we are in good form.

The truth is that in March 1985 I did not think that we would be in such good shape as we are now; I honestly thought that we would be much worse off, that we would be facing many more difficulties, and I believe that most Uruguayan people thought the same thing.

[Question] Mr President, I would like to ask you about the meeting you held with Ferreira Aldunate. When he left, he said that there were more points in common than he had originally expected. We know that the human rights issue was discussed during this meeting, and we know that the Blanco Party has proposed a congressional debate on the issue. Senator Zumaran indicated that the Blanco Party wants to know who is guilty of crimes against humanity and then decide whether they deserve a generous gesture. Some circles are even talking about amnesty. What is your position on this subject?

[Sanguinetti] First of all, I would say that we did not discuss the issue of human rights in Uruguay because there was no need to do so. No Latin American country is less bothered by human rights problems than Uruguay.

[Question] But we did have these problems in the past?

[Sanguinetti] All right, but semantics are important in this case because one cannot talk about human rights problems when in fact there are none. By doing so we are focusing the people's minds on a nonexistent problem.

The issue is a review of a situation prevailing prior to the advent of the current administration. [words indistinct] and not about the human rights problems because no such problems exist in Uruguay today.

Undoubtedly, this is a sensitive issue and technically important and I [words indistinct] it is a political issue. This is our main problem. Why? Because it all started with the amnesty that the Tupamaros received at the beginning of the democratic government.

I am sure you will recall that that there were different positions about this issue during the electoral campaign. We believed in a partial amnesty that would not include those guilty of crimes against human beings. In the end, a broad amnesty was passed, much broader than the one we advocated, and we accepted it.

We were not quite sure whether this amnesty would be good for the country. We believed that things had gone much farther than we would have liked, but in the end we accepted it in the name of peace for the country .

After 14 months I can tell you that we were right, that all of us were right and that in the final analysis this helped to achieve the atmosphere of political peace that the country is enjoying today.

In those days we believed that the other social issue, meaning the reports on and the demands to review situations related to the de facto government, should have been left in the impartial hands of the courts. Unfortunately, it has been impossible to achieve this over these months because we all know that the issue has given rise to a political controversy and the courts can no longer be expected to be impartial.

No one, no judge, can be honestly expected to arrive at the conclusion that some given incident must be turned over to the military courts. [Words indistinct] I personally believe that the majority [words indistinct] that a given judge is independent [words indistinct].

We all know that this has turned into a political issue and that there is a lot of political pressure. [passage indistinct] I can honestly say that just as I preferred an amnesty more limited than the one the Tupamaros got, I accepted the final outcome. I also say that I would rather see this issue in the hands of the courts. However, I realize that the current political atmosphere may require a political solution.

BRIEFS

RECORD DRUG SEIZURE -- The largest drug shipment ever intercepted in our country has been seized at Carrasco International Airport. A Spanish woman was detained. The police report states that 13.5 kg of pure cocaine was found on the woman. Its estimated value exceeds \$13 million. The woman was detained just before boarding a plane bound for Europe. It is believed that the drug was brought from Buenos Aires. [Summary] [Montevideo Radio El Espectador Network in Spanish 0930 GMT 6 Jun 86 PY]

FINANCIAL NEGOTIATIONS BEGIN WITH IMF, BANKS

FL131608 Mexico City NOTIMEX in Spanish 2335 GMT 12 Jun 86

[By Roberto Gonzalez Perez, correspondent]

[Excerpt] New York, 12 Jun (NOTIMEX) -- This morning a source involved with negotiations between the IMF and Mexico said that conversations are going well. The source also said that Mexico is not contracting an \$8 billion financial package as has been reported by U.S. media, but is negotiating loans with several institutions.

According to the source, loan negotiations will probably continue for 3 months, and if it appears that the loans will be approved quickly, Mexico will present the IMF with a letter of intent to negotiate a stand-by loan for 1986. This letter could initiate direct negotiations with banks and institutions which could take a minimum of 15 weeks.

It was reported that Mexico seeks \$1 billion from the IMF, \$1 billion from the World Bank, \$2.75 billion from private banks, between \$600 and \$900 from the Paris Club, and \$1 billion from the Japanese Government. The tentative total is approximately between \$6.35 and \$6.65 billion. [all figures as received]

Current Situation Discussed

PA131757 Mexico City EXCELSIOR in Spanish 11 Jun 86 p 6A

[Editorial: "Not Just More Loans"]

[Text] It seems that the creditors' resistance has begun to soften. As soon as the Mexican Government set forth, with absolute clarity, the possibility of declaring a moratorium on the payment of the interest on its debt, U.S. bankers and government officials changed their position and started talking about renewing our line of credit; it is even said that arrangements for granting Mexico a \$5-6 billion loan are approaching a settlement.

The immediate lessons one can learn from those rumors, which say a great deal about how the Mexican credit problem evolves in the United States, are varied. In the first place, those rumors prove that a unilateral moratorium declared by our country would indeed have serious repercussions on the U.S. banking structure. Secondly, the rumors show that Mexico must take advantage of the present situation to reorganize in general the agreements with the creditor banks. It is not enough to make an agreement with the IMF and obtain new lines of credit. The essential point is to attain a reduction in the debt service to make it compatible with the foreign currency that enters the country, in order to achieve a long-term economic growth.

In other words, we have to make sure not to reenter the orbit of the decisions and measures taken only, and solely, in favor of the creditors' interests. Mexico does not need additional credits, because that will render the management of the country's economy even more difficult. The essential point is to transfer a reasonable part of the costs of the financial crisis to the international banks.

TRADE WITH PRC TO REACH \$500 MILLION PER YEAR

FL130158 Mexico City NOTIMEX in Spanish 2342 GMT 12 Jun 86

[Excerpt] Acapulco, Mexico, 12 Jun (NOTIMEX) -- Trade between Mexico and the PRC could reach \$500 million a year if planned coinvestment projects between the governments of the two countries are approved. This was announced by Mexican consul in Beijing Esteban Valdeoliva Sanchez. He added that currently trade between the two nations amounts to \$150 million a year, with the balance favoring Mexico.

NATIONAL DEFENSE SECRETARY DENIES CORRUPTION

FL130142 Mexico City NOTIMEX in Spanish 2110 GMT 12 Jun 86

[Text] Mexico City, 12 Jun (NOTIMEX) -- National Defense Secretary Juan Arevalo Gardoqui today denied that members of the Mexican Army are involved in corruption activities within the drug smuggling campaign.

In a press conference, Arevalo Gardoqui asserted that the Mexican Government is making, and will continue to make, its best efforts in the permanent campaign against planting, harvesting, and smuggling of drugs. He underscored that the Army destroys between 86 and 80 percent of the drugs planted in Mexico and that the daily cost of the campaign against drug smuggling in the entire country amounts to 65,945,500 pesos (over \$119,000). He added that the Army and Air Force permanently maintain 25,000 of its members involved in an unprecedented war against an invisible enemy, in rugged terrains, without additional funds. He said the daily cost per member amounts to 2,637 pesos (over \$4.00) and includes food, clothing, equipment, weapons, health services and vehicles.

The secretary of defense refused to respond to U.S. accusations that Mexico is not doing enough to end drug smuggling. He indicated that the Foreign Secretariat is the one entitled to do so. However, to illustrate the efforts the national defense is making, he reported a summary of the drugs confiscated during this year.

He said 23.3 tons of marijuana, 1,130 kilos of cocaine, 3,000 kilos of opium paste, 210 kilos of marijuana seeds, and 91 kilos of poppy seeds were confiscated. In addition, 48,449 poppy fields, and 13,327 marijuana fields were destroyed in an area of 8,434 hectares. In these operations, 22,000 people were arraigned by federal authorities, 17 of them were foreigners. Also, 19 clandestine air strips were destroyed, as well as 1.7 meters [as received] of irrigation pipes.

Arevalo Gardoqui made a call to the peasant population and to the public in general to report to military authorities any drug smuggling activity. He said that to prevent these people who poison the population from tricking peasants into providing the land to harvest drugs, the national defense secretariat is distributing fliers in the most common dialects in the states where drug smuggling is more prevalent.

He asserted that the most important achievement is not the drugs they have destroyed in the last 10 years but that it has prevented over 382 million individuals' -- which equals the total population of Mexico, Central and South America -- being intoxicated during a week.

REACTION TO CHARGES AGAINST NORIEGA CONTINUES

Delvalle UNADE Leaders Meet

PA131418 Panama City MATUTINO in Spanish 13 Jun 86 p 10 B

[Communique issued by Guillermo Antonio Adames, press secretary of the Presidency on 12 June.]

[Text] As a result of a systematic campaign unleashed in several U.S. news media, which has intensified in the last few hours, the president of Panama called the presidents, secretaries general, and legislators of the UNADE [National Democratic Union] parties to an important meeting at the presidential palace.

At the end of the meeting, Panamanian President Eric Arturo Delvalle stated:

The unity of the government has been threatened because the U.S. communications media, influenced by Panamanians involved in a conspiracy which will be made public in the next few days, have sought to describe General Manuel Antonio Noriega in terms that have the fundamental objective of discrediting and dividing the Defense Forces and involving them in alleged illegal activities. They contradict the official position that the U.S. Government has maintained in documents that have borne witness that in our country the authorities are carrying out effective work to combat drug trafficking and the laundering of money.

After several hours of discussion on this topic, the president of the Republic stated that he was very pleased by the spirit of unity, brotherhood, and cohesion that prevailed during the meeting, and he stated that, in any case, those groundless attacks further unite and strengthen us to face and combat any destabilization attempt in our country.

Guillermo Antonio Adames, press secretary of the Presidency.

U.S. Must Define Stance

PA132344 Madrid EFE in Spanish 2244 GMT 13 Jun 86

[Excerpts] Washington, D.C., 13 Jun (EFE) -- The U.S. Government must define its stance regarding the "groundless" charges that aim at "destabilization" which have been unleashed by the U.S. press against Panamanian Defense Forces Chief General Manuel Antonio Noriega. This definition was demanded today by Roberto Leyton, Panamanian ambassador to the OAS. He asserted that behind these charges "can lurk those who were always the enemies of the Panama Canal Treaties."

According to unidentified U.S. officials cited by THE NEW YORK TIMES and the television network NBC, Noriega is involved in drug trafficking, illegal sale of arms, and money laundering, has cooperated with Libya, Cuba, and the PLO, and is linked to the murder of Hugo Spadafora. The newspaper also reported a plot to murder Noriega during President Richard Nixon's administration.

Ambassador Leyton, who today signed at the OAS the protocol of amendment to the Inter-American organization adopted in Cartagena de Indias (Colombia) in December said that these "slanders try to do harm."

The diplomat said: "It is the responsibility of the United States to clarify these charges" because they were presented by unidentified government officials. Leyton asserted: "We think those who were always the enemies of the treaty might lurk behind this. The treaties establish Panama's sovereignty and the transfer of the canal's full administration in 1999."

The ambassador pointed out that the Panamanian Government has expressed "confusion" over these reports that "contradict" those sent by the United States about the situation of drug trafficking in his country. On 8 May John Law, director of the Drug Enforcement Agency, DEA, sent a letter of recognition to General Noriega for "your vigorous antidrug trafficking policy."

PRD, PDC Legislators Comment

PA141904 Panama City LA ESTRELLA DE PANAMA in Spanish 14 Jun 86 pp A 1, A 10

[Text] LA ESTRELLA DE PANAMA has obtained new reactions from Panamanian political sectors -- of the government as well as the opposition -- regarding accusations against General Manuel Antonio Noriega, commander of Panama's defense Forces, published in the U.S. daily THE NEW YORK TIMES.

In that report, published on 12 June and highlighted by international news agencies, Noriega is accused of "drug trafficking, delivery of secrets to Cuba, arms contraband, and money laundering."

PRD [Democratic Revolutionary Party] Legislator Jerry Wilson Navarro has said that the remarks published in THE NEW YORK TIMES are "direct interference by certain U.S. sectors in our country's domestic affairs in an effort to cast doubts about the ability of Panamanian organizations to maintain the security and guarantee the normal operation of the Panama Canal in coming years."

In addition, Wilson Navarro, former president of the Legislative Assembly, said he believed that the accusations against Gen Noriega surpass the ingenuity of authors of international espionage novels, making Gen Noriega look like a superman who can play with the two imperialist blocs.

Wilson Navarro said that the veiled interests of internal and external sectors which want to destabilize our country and sink Panamanians into a bloodbath are behind all these accusations.

He said that these accusations "are the same tricks used in the past whenever Panama tried to consolidate its independence and sovereignty. Something similar happened to General Remon and General Torrijos. Now it is happening to Gen Noriega."

In conclusion, he said that the Panamanian people must be alert "so that they will not be caught by surprise by this new plot which, in substance, is trying to prevent Panamanians from taking absolute control of the canal."

Guillermo Cochez of the Christian Democratic Party [PDC] also gave his views on this matter to LA ESTRELLA DE PANAMA. He said that the facts mentioned by THE NEW YORK TIMES are not new to Panamanians.

"What was said has been the topic of speculation by Panamanians for years. For this reason there has been serious suspicion about the involvement of the military leadership in drug trafficking, and this was stated by the PDC in its 9 May National Congress," he added.

Cochez said that what was stated there (in THE NEW YORK TIMES) is truly shameful and degrading for all Panamanians, especially for the honor and prestige of the Panamanian Defense Forces, which deserve, as do all Panamanians, more respect for their integrity and dignity.

The PDC legislator called for a "thorough rectification within the Defense Forces so that they can begin to serve the people once and for all instead of serving anyone's interests in particular, much less becoming involved in the despicable activities that have been widely reported by the international media."

People's Party Rejects Charges

PA150019 Panama City MATUTINO In Spanish 14 Jun 86 p 1

[Communique issued by the Panamanian People's Party in Panama City on 13 June -- upper case passages published in boldface]

[Text] On Thursday, 12 June, several U.S. newspapers, among them THE NEW YORK TIMES, published accusations against General Manuel A. Noriega. Along with other accusations, international and local actions, and the Panamanian internal reaction, deep down this part of a new imperialist escalation aimed at totally recovering political in Panama in order to install a pro-U.S. regime that will docilely follow Reagan policies directed against CONTADORA to trample upon the Sandinist revolution, destroy the Salvadoran people's struggle, harass Cuba, and have all the countries in the Central American region, including Mexico, come under the yoke of the State Department and the Penatagon. This would also allow Washington and the IMF to make juicy collections of interest on our heavy foreign debt.

The method used by THE NEW YORK TIMES was immediately welcomed by Mr Shultz, who said not only that the accusations are worrisome for the State Department but that Panama must resolve them. This is open Yankee intervention in our internal affairs. The reation of the oligarchy, the imperialists' docile peons, has been to put two and two together in order to attain power aboard the spacecraft of the TIMES' accusations and the other statagems planned by Reagan's agents. Panama would thus be as it was prior to 1968.

This is why the people must understand that the leading "conspirators" are the imperialists who use the oligarchic peons dispersed among the various factions to achieve their ends.

In response to this escalation, it is the duty of the military forces and the government to inform the people of their position: either they take up the patriotic Torrijist flag; defend popular achievements; stop IMF interventions; refuse to accept new antipopular adjustments; revise antiworker, anti constitutional Law No 1; defend national sovereignty, nonintervention, true nonalignment, and peace, or they surrender to the treacherous attacks from the darkest forces of imperialism and to internal reaction. If they adopt the national, popular, and patriotic position there is no doubt THEY WILL HAVE THE PEOPLE ON THIER SIDE. Otherwise, the Panamanian people will face very difficult days. However, in response to any alternative, the impeialists and oligarchs must know that the masses will always struggle firmly against them when it is a matter of their trampling upon the people's rights and national sovereignty.

The People's Party calls on its members and urges the progressive forces not to allow themselves to be taken by surprise by this imperialist trick. It would be a mistake to blame the oligarchic "conspirators" for this escalation, as if the native oligarchs could establish guidelines for the State Department.

We call on all popular organizations to be alert, not to allow themselves to be led by the Christian Democrats and other sectors that are crying for an imperialist intervention in Panama. A change of government -- of any type -- brought about by the oligarchic-imperialist alliance could mean only the brutal destruction of the working, peasant, professional, student, and Indian masses and guarantee an unforeseeable climate of violence.

Today the imperialists are doing everything possible to pave the way in order not to leave Panama in the year 2000, and for this they can count on turncoats who would willingly surrender.

THE PROGRESSIVE FORCES MUST UNITE AGAINST THE U.S. IMPERIALIST INVOLVEMENT.

POLITICAL BUREAU OF THE PEOPLE'S PARTY CENTRAL COMMITTEE

Friday, 13 June 1986

PAPO Leader on Charges

PA150112 Panama City LA PRENSA in Spanish 14 Jun 86 p 1

[By Allan Perez]

[Excerpts] Referring to the accusations against Gen Manuel Antonio Noriega -- who is accused of being a drug trafficker, arms smuggler, and double agent -- Popular Action Party Vice President Dr Mauro Zuniga told LA PRENSA: "What is happening to Noriega is part of Latin America's history. The United States creates the dictators, gives them some power, uses and corrupts them, and -- when the degree of corruption reaches an intolerable level -- discards them."

He said that the Panamanian case is like the Haitian case: Given that the nationalist alternative is not well organized, the Americans replace a dictator when they have a replacement who will defend their interests. He said that the Panamanians must now strengthen their nationalist and civil struggle and in no way dance to the beat of the American newspapers' drums.

Spadafora Reacts to Report

PA150201 Panama City LA PRENSA in Spanish 14 Jun 86 p 18 A

["Counterpoint" column by Winston Spadafora: "Mr Reagan: Defender of Democracies or Protector of Dictatorships?"]

[Text] Upon reading the article by Seymour M. Hersh, published on 12 June in the prestigious U.S. newspaper THE NEW YORK TIMES, which reported serious accusations leveled by U.S. officials against General Manuel A. Noriega, my first reaction was amazement, anger, and impotence, all at once. Upon rereading the article and thinking it over, I felt a deep personal satisfaction at having acted calmly during the very delicate hours we experienced during our family's tragedies, which were unleashed with the brutal and cowardly murder of our brother Hugo.

We were always sure that the truth would emerge sooner or later, with or without a special investigation commission, which the civilians as well as the military in power today have so stubbornly denied us.

Given the seriousness and the prestige of the source of information, and given the manner in which justice has been denied us in our brother Hugo's case, we cannot refrain from publicly accusing Gen Manuel A. Noriega of murdering our brother Hugo Spadafora -- an accusation we abstained from making because we lacked sufficient proof. This accusation forces us to demand for the nth time that the National Legislative Council and Eric A. Delvalle's government name a special investigations commission to make an inquiry into the death of Dr Hugo Spadafora, as established by our Constitution in Article 216.

The serious accusations of drug trafficking, corruption, the murder of Dr Hugo Spadafora, the laundering of dirty money, arms trafficking, and spying for Cuba and Nicaragua made directly by U.S. CIA officials, by the Drug Department [as published], the Customs Department, and the Pentagon Intelligence Agency [as published] against Gen Noriega, leads us to other considerations, such as the following: How is it possible that the Reagan administration, aware for some time of the reports published today by THE NEW YORK TIMES, has protected and continues to protect the Panamanian military dictatorship, considering that only a few days ago Vice President Bush said on U.S. television that drug trafficking is a national security affair? How is it possible that after boasting about the Haitian and Philippines cases, the Reagan administration continues aiding the Panamanian military dictatorship so that it can continue violating Panamanians' human rights (the right to life, the right to freedom of expression, etc.)?

In all civilized countries on earth respective penal legislation regards concealing information as a crime. I ask myself how morally responsible President Reagan is for having concealed the information we have today regarding the murder of our brother, especially when the United Nations Universal Declaration of Human Rights knows no barriers for reporting and condemning such violations.

There is nothing to justify the Reagan administration's attitude toward the Panamanian military dictatorship, not even the traditional U.S. fear of the political void that usually follows the fall of a military dictatorship, a fear -- why not say it? -- that has contributed to the creation of the Panamanian opposition political parties because it has not presented a strategy that would lead to a democratic solution in Panama. These political parties and no one else will inherit political power, with the obligation to restructure the new Panamanian democracy.

Legislator Urges Probe

PA150436 Panama City EXTRA in Spanish 14 Jun 86 p 1

[Text] Authentic Panamenist Party Legislator Francisco Artola has told EXTRA that next week the Legislative Assembly could discuss the charges which U.S. officials have made against General Manuel Antonio Noeiega, commander in chief of the Panamanian Defense Forces, regarding drug and arms trafficking, espionage activities, and the murder of Hugo Spadafora.

"I feel that the minister of government and justice, Gen Noriega's immediate superior, should be summoned to respond to the charges levied against the top military chief. This is such a delicate matter for our country; it cannot go unnoticed at this point ...and that is what we will do should the progovernment majority bloc allow us to clarify this whole thing".

Later the opposition legislator noted that the commander in chief of the Defense Forces must leave his post while the charges against him are being investigated.

"If he feels he is innocent, he should make that decision. That way he would adopt a neutral stance in order to be investigated...he should automatically leave his post. Above everything else, he would be showing his respect for civilian rules and that there is justice, democracy, and a desire to do things right here in Panama. That is what is best for him," Francisco Artola said.

The legislator from Bocas del Toeo Province also said that the charges against Noriega are a discredit to Panama. "We must try to reverse our negative image abroad. The only way to achieve that is to conduct an exhaustive investigation...because it would seem as if all the reports that have appeared on the matter have some truth to them."

CONATO Leader: Charges 'Lies'

PA150118 Panama City LA PRENSA in Spanish 14 Jun 86 p 1

[By Flor Quintero]

[Excerpts] - Asked about the matter by LA PRENSA, Isthmian Workers' Federation [Federacion Istmena de Trabajadores] leader Rolando Ordonez described as "lies" the serious charges of criminal actions by Defense Forces Commander General Manuel Antonio Noriega which were published on 12 June by the influential U.S. newspaper THE NEW YORK TIMES.

Ordonez, leader of the National Council of Workers, Conato, also said that the publication of the charges responds to a U.S. campaign and strategy aimed at thwarting the final objective of the Torrijos-Carter Treaties, namely handing over total administration of the Canal to Panama on 31 December 1999.

Ordonez added: "We are concerned about this at Conato because we already have many political problems in the country. This situation makes matters more difficult because we have no definite plan to solve our domestic problems. The Panamanian Government must seek ways to clarify this situation, because the charges have been well publicized. If the United States has proof of this, it should be more convincing, in the interest of peace in this country."

DELVALLE CONFIRMS SUPPORT FOR ABADIA

PA121422 Panama City MATUTINO in Spanish 12 Jun 86 p 1

[Communique issued by the Press Secretariat of the Panamanian Presidency; dated 11 June]

[Text] In relation to reports published in the media during the past few days on statements by several legislators, the Press Secretariat of the Presidency of the Republic informs the public that:

1. The president of the Republic confirms his absolute and total support for the efforts of Foreign Minister Jorge Abadia Arias;

2. The president of the Republic reaffirms that he is not considering making changes in his cabinet.

Guillermo Antonio Adames

Press secretary of the Presidency of the Republic of Panama

Panama, 11 Jun 1986

PERU'S WAGNER THANKS ABADIA FOR HOSPITALITY

PA131726 Panama City LA ESTRELLA DE PANAMA in Spanish 13 Jun 86 p E 13

[Press release issued by the Peruvian Embassy in Panama City on 11 June 1986]

[Text] After taking part in the meeting of the foreign ministers of the Contadora Group, Support Group, and Central America in Panama, Peruvian Foreign Minister Alan Wagner Tizon, accompanied by his wife, remained in Panama on 8 and 9 June as official guests of the Panamanian Government.

During his brief and pleasant stay, Foreign Minister Wagner met with Panamanian President Eric Arturo Delvalle, with the president of the Legislative Assembly, and with his counterpart, Foreign Minister Jorge Abadia Arias, with whom he discussed bilateral and multilateral topics, underscoring those that appear in a Joint Declaration signed in Lima on 16 May.

They agreed to promote mechanisms to facilitate trade between the two countries by creating a joint commission to define areas of cooperation in the technical, cultural, financial, and service areas.

The Peruvian foreign minister wishes to express to Panamanian Foreign Minister Jorge Abadia Arias his appreciation for his warm hospitality and the commendable permanent coordination which Jorge Abadia Arias has extended to the American foreign ministers who came to this hospitable country to strengthen the Contadora process and to help keep alive Latin America's faith in its destiny of democratic peace and brotherhood.

Panama, 11 June 1986

Javier Ortiz de Aevallos

Peruvian ambassador

COSTA RICAGARRON NOTES RESULTS OF VISIT TO TAIWAN

PA132011 San Jose Radio Reloj in Spanish 1200 GMT 13 Jun 86

[Excerpt] Referring to her visit to the Republic of China, Second Vice President Victoria Garron de Dorian has said that it opened paths to discuss education, housing, exports, and cultural opportunities. She said that she talked with ministers of various areas to discuss the possibility of aid from that government in the fields already mentioned. She visited several organizations and projects in order to learn about the country's progress in education, housing, culture, and other areas. She said that Costa Rica has a great potential for increasing exports to the Republic of China. She discussed this matter with the Republic of China's foreign minister, who said that relations must be improved in that aspect, and that to do this, Costa Rica must understand the sense of these relations as far as imports and exports are concerned. She added that to achieve this, a common effort was needed in order to overcome existing obstacles.

ARIAS, WIFE UNHURT IN TRAFFIC ACCIDENT

PA140422 Panama City ACAN in Spanish 0408 GMT 14 Jun 86

[Excerpts] San Jose, 13 Jun (ACAN-EFE) -- President Oscar Arias Sanchez suffered a traffic accident in his home town, Heredia, while riding in a private vehicle and without an escort. President Arias and his wife Margarita emerged unharmed when their vehicle collided with a public service bus. The two vehicles collided head-on when the presidential couple was leaving the National Autonomous University, where they had attended a civic event. According to the bus driver, the collision occurred because the president's vehicle disregarded a traffic signal indicating that it should yield right of way.

EL SALVADORDUARTE COMMENTS ON PREPARATIONS FOR TALKS

PA130403 Madrid EFE in Spanish 0318 GMT 13 Jun 86

[Text] San Salvador, 12 Jun (EFE) -- President Jose Napoleon Duarte today said that the dialogue between his government and the leftist guerrillas is being "zealously" prepared. The president said that "we are working and trying to advance in the preparations, the ideas, and the spirit that must prevail in the search for peace."

"Obviously," the president said, "the dialogue is difficult. We must not forget the positions adopted by those who are up in arms, their refusal to accept democracy, the constitution, the government, and their refusal to lay down their weapons." However, Duarte said that "these positions are not discouraging because we know that it is necessary to promote the dialogue."

Even though the president met yesterday with his advisers to work on the details of the meeting. Duarte said that it has not yet been decided whether the meeting will be held in San Salvador. The third round of talks between the government and the guerrillas was proposed by Duarte's administration on 1 June and accepted by the rebels with the only condition that it be held "at the highest level and in El Salvador."

Msgr Rivera on Dialogue

PA160300 San Salvador La Voz Panamericana in Spanish 1400 GMT 15 Jun 86

[Sunday homily by Archbishop Msgr Arturo Rivera y Damas at the Metropolitan Cathedral in San Salvador -- live]

[Excerpts] Despite the rebel radio's tantrums, we have spent a great deal of our energy placing the first stones in the bridge of dialogue which we must cross in order to reach the river bank of peace. [applause] Despite the attacks against us, we have worked in peace for the sake of peace. [applause] Different signs of solidarity, many of them from abroad, as the one from the [word indistinct] justice and peace, and International Caritas organizations, have heartened us in our endeavor. [applause]

This Wednesday our preparations for the third round of talks took us to the Presidential Palace. I came accompanied by my auxiliary bishop, my closest aide in this task. We talked with President Jose Napoleon Duarte. I also tried to schedule a meeting with delegates from the fronts for this weekend. However, my request was not made duly ahead of time. For that reason the meeting did not take place. However, we will meet in the upcoming days. [applause] Based on the result of my contacts with the two sides, I will be able to decide which are the minimum requirements for holding the third series of talks. [Words indistinct] success at all cost.

According to Msgr Emil Stehle, who met with delegates of the FMLN-FDR and met with us today, the fronts are still accepting the church's mediation. We know that in this service we at times will incur the wrath of one side or the other. Every sacrifice will be small for the sake of the peace which our people long for. [applause] The social [word indistinct] and the different manifestations of the lack of peace, must constitute a challenge to the artisans of peace, that is, to show that works of love fall within the purview of our Christian faith. [applause] This task becomes all the more urgent when life is so cynically attacked. This happened this week, when Professor Jesus Dolores Ortiz, a PDC deputy, was killed.

If all murders are to be condemned, it is all the worse when the victim is a servant of the fatherland freely elected by the people. We join all his relatives in prayer. Another condemnable murder is that of Cayetano Morales Vasquez, a young student at the Divine Savior school. His death is blamed on an attack by the Mexicanos Municipal police. With only a pastor's love, I pray for the 36 Salvadoran brothers who died during insurgency and counterinsurgency military operations, that is, 32 alleged guerrillas and 4 soldiers. In addition, we keep in mind those brothers who are imprisoned in the state jails or in guerrilla camps. I cannot avoid mentioning that according to a statement by the jailed persons who belonged to humanitarian organizations, they were not only morally coerced to confess, but they were also the victims of sophisticated coercion to sign declarations without knowing their content. All of this is more [word indistinct] to continue striving for a quick end to the war, and to consolidate everything that will enable Salvadorans to live and act according to their dignity as men, and most of all, according to their dignity as children of God. Amen. [applause]

DEPUTY FOR CABANAS DEPARTMENT MURDERED

PA131559 San Salvador Radio Cadena YSKL in Spanish 1515 GMT 13 Jun 86

[Text] YSKL friends, this is a last-minute report given by spokesmen of the Salvadoran Christian Democratic Party in which they tell us that Jesus Dolores Ortiz, deputy for the Cabanas Department, was machinegunned at 0750 today. We repeat: This morning at 0750, Jesus Dolores Ortiz, deputy for the Cabanas Department, was machinegunned in the Santa Lucia area, Ilopango. After the attack, Ortiz was taken to the Salvadoran Polyclinic where his death was confirmed. We repeat: A while ago, Jesus Dolores Ortiz, deputy for the Cabanas Department was machinegunned and taken to the Salvadoran Polyclinic where his death was confirmed. This is the end of the report, and later we will be giving you more details on this incident.

GUATEMALAGOVERNMENT ANNOUNCES PLAN TO COMBAT VIOLENCE

PA140356 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 13 Jun 86

[Text] The Government Ministry today announced an emergency plan to combat violence throughout the country. National Police Director Ruben Suichili Pay today said that the organization will soon have 900 more members.

[Begin Suichili recording] We know violence has increased over the past few days. The national police, however, are preparing to combat it effectively. We are about to acquire 75 used vehicles from various government agencies and we will use them only in patrols. Several of these vehicles will soon arrive in Guatemala. As soon as we get them, we will have them patrol the capital city, where crime has increased in the past few days. In addition, the government will authorize us to increase the number of policemen by possibly 800. With certain adjustments we have been making, we will have more than 1,000 men out to patrol the streets. In this way, we will try to hit crime on its head, so to speak. [end recording]

GUERRILLAS LOOT STORES IN SAN FRANCISCO, PETEN

PA141908 Guatemala City PRENSA LIBRE in Spanish 13 Jun 86 p 18

[Text] San Francisco, Peten -- The residents of this town are living in fear after groups dressed in olive green looted several business in the main plaza, according to reports issued here by Army spokesmen. The sources stated that the Armed Forces have established strict vigilance in this municipality at the request of the residents, who have many problems caused by the continuous guerrilla attacks.

The Army said that on Friday, 6 June, numerous rebels came to this town to obtain supplies. The military spokesman added that the terrorists forced the townspeople to gather for a meeting against the democratic government, destroyed work being carried out by the FYDEP [National Enterprise for the Economic Promotion and Development of El Peten] and set one of its vehicles on fire. On Saturday, 7 June, another insurgent group set up a roadblock on the road from here to San Benito. This tactic is employed by rebels in order to carry out meetings and rob travelers.

Captain Juan Fernando Cifuentes Herrera, Army chief of press and information, told PRENSA LIBRE: "It is not true that there has been an increase in political violence in the jungle areas of Peten Department." He emphasized: There are small groups that move around rather easily as a result of the thick bush typical of the Guatemalan northern region. The Army, however, will continue pursuing them until they are wiped out, as has been the case in several departments.

ESCUINTLA PDC LEADER RAMOS SHOT TO DEATH

PA141924 Panama City ACAN in Spanish 1600 GMT 14 Jun 86

[Text] Guatemala City, 14 Jun (ACAN-EFE) -- Police reported today that a local leader of the ruling Christian Democratic Party [PDC] was shot to death in a village of southern Guatemala. Victor Ramirez Ramos, who was 50 year old, was a councilman and a leader of PDC intermediate cadres in Nueva Concepcion, Escuintla Department, 147 km south of this capital. According to the police report, he was murdered by several unidentified men who went to his house last night. The authorities are certain that this crime was not political because the assailants took 12,000 quetzals (\$4,000).

The national police have reinforced vigilance in that town, which has been rocked by common crime in the past few days. A group of armed men killed six people inside a cafeteria last week. Municipal authorities are demanding greater control and more efficient investigation from the government in order to solve this crime.

FUN OFFICIAL SHOT, WOUNDED IN GUATEMALA CITY

PA150257 Panama City ACAN in Spanish 1725 GMT 14 Jun 86

[Excerpt] Guatemala City, 14 Jun (ACAN-EFE) -- The treasurer of Guatemala's rightist National Unity Front [FUN] was shot and seriously wounded, the police reported today. Beltran Pineda Garcia was attacked in south Guatemala City when several men unexpectedly came into this transportation company. Several of Pineda Garcia's employees assisted him, and later municipal firemen took him to a private hospital. "His condition is extremely delicate," police authorities confirmed.

The FUN's top leadership held an urgent meeting to analyze the situation and demanded that the Government investigate the attack. FUN Secretary General Gabriel Giron Ortiz said: "it is regrettable that violence continues hurting the country, while the government authorities do not find the means to counter it." He added: "I demand that the government protect the nation's domestic security, because speeches and deceitful promises will not end the violence or the crisis which the country is experiencing."

GAM REFUSES TO TESTIFY FOR FEAR OF REPRISALS

PA140355 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 13 Jun 86

[Excerpts] The members of the Mutual Support Group, GAM, will not appear in court to testify on cases of missing or kidnapped people, whose whereabouts they demand from the government, for fear of reprisals, GAM leaders said today. The group's most important leader, Linnette Montenegro de Garcia, has said that judicial authorities have been pressuring the missing people's relatives into testifying. She insisted that the government should accept the formation of a commission to investigate the whereabouts of the missing people.

She also cited Congress President Alfonso Cabrera as having said that a decree issued by the Mejia Victories government granting amnesty to military men presumably involved in actions related to the disappearance or kidnapping of Guatemalan citizens is unconstitutional.

CEREZO CANCELS MEETINGS DUE TO ILLNESS

PA131929 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 13 Jun 86

[Text] According to government sources, President Vinicio Cerezo has canceled all his audiences scheduled for today because he is sick. Cerezo has the flue and stomach problems. It was said that he was also suffering nervous disorders. President Cerezo also canceled regular private activities such as his karate classes. It was learned that President Cerezo will continue resting over the weekend and that he will resume his functions on Monday, depending on the improvement he shows.

QUINONEZ CONFIRMS C.A. VICE PRESIDENTS MEETING

PA140427 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 13 Jun 86

[Text] Foreign Minister Mario Rafael Quinonez Amezcuita has said that a meeting of Central American vice presidents has been slated for the end of this month in Guatemala. He added that the analysis of the formation of the planned Central American parliament will almost surely be completed. He said, however, that he has no information of where this meeting will take place because Guatemalan Vice President Roberto Carpio Nicolle is in charge of the meeting's organization.

VICE PRESIDENT CARPIO NICOLLE VISITS FRG

PA141722 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 14 Jun 86

[Text] FRG circles have shown special interest in the presidents' summit meeting in Esquipulas and in the Central American parliament, Vice President Roberto Carpio Nicolle reported. He referred to the interest shown by FRG and international news agencies in these subjects. Carpio Nicolle told them that these political forums can help to attain peace. He added that each day President Vinicio Cerezo's proposal gains more support from the Central American countries. This does not mean, he explained, that the Contadora Group and the Support Group are going to disappear. On the contrary, they can contribute with new and additional formulas to try to restore peace in Central America.

Vice President Carpio Nicolle also said that President Cerezo's government is determined to promote the process of democratization and to establish the political, social, economic and technological foundations that are necessary to make it possible. However, he added, our plans cannot come true without the support of friendly countries which we need to counterbalance the critical condition in which we received the government.

The FRG Government and people's support has been generously proven by substantial technical and financial cooperation. Vice President Carpio Nicolle met with other high FRG Government officials who expressed their friendship for our country.

HONDURASGOVERNMENT REJECTS CONTADORA PEACE PLAN

PA140300 Paris AFP in Spanish 0220 GMT 14 Jun 86

[Text] Tegucigalpa, 13 May (AFP) -- The Honduran Government today rejected the latest peace plan submitted by Contadora because "it does not establish sufficient reasonable obligations to guarantee its security." In a brief communique released tonight by the Foreign Ministry, the government reiterated "its desire to continue exploring new formulas that effectively guarantee the legitimate interests of all the countries." It added that the Governments of Honduras, Guatemala, El Salvador, and Costa Rica fully agree with the United States that the peace plan "does not make possible the verification of the reduction of the arms race, troops, and foreign military advisers," one of the obstacles of the negotiations.

The communique also says that during the 6 June meeting in Panama Contadora stated that "the group was the end of its mediating efforts in the main aspects of the plan, and that it would cooperate in the negotiation of the operational aspects." It also reiterated Honduras' willingness "to contribute to the internal peace and national reconciliation of some states and the consolidation of democracy in Central America."

ARMED FORCES TO INVESTIGATE U.S. CHARGES

PA141408 Tegucigalpa Cadena Audio Visual in Spanish 1158 GMT 14 Jun 86

[Text] President Jose Azcona has announced that the Armed Forces will investigate the charges made by the U.S. Congress to the effect that Honduran Army officers received money from the counterrevolutionaries. The president said that for the time being he cannot make any statement, but he pointed out that there are bound to be some dishonest persons in the Armed Forces, just as in any other Honduran sector. Our reporter Danilo Altunez has the following report:

[Begin recording] [Altunez] The Armed Forces will investigate the charges made by the U.S. Congress to the effect that Honduran Army officers received money from the Nicaraguan counterrevolutionaries in exchange for allowing them to operate freely in Honduran territory. President Jose Azcona has met with the commander in chief of the Armed Forces, General Humberto Regalado Hernandez, and later made the following statement to Radio America.

[Azcona] Yesterday I discussed this topic with the commander in chief of the Armed Forces, and they will investigate the matter, because this might be something planned to block aid to the contras. We do not want to get involved in the internal affairs of the United States which is playing with both sides. [as heard] I don't think I can say anything more at this time.

[Altunez] Do you think there are Armed Forces officers that would take money from the contras?

[Azcona] No, I do not think that. However, there are bound to be some dishonest persons in the Armed Forces, just as there might be in any other Honduran sector. The same might happen with engineers; not all engineers are honest. Not all doctors are honest. There are always some persons bound to be dishonest. However, we cannot generalize on any sector.

[Altunez] Now, if these charges are proven to be true, what will your administration do?

[Azcona] We have always said we will be firm with any person involved in a dishonest situation. However, I do not want to discuss this subject anymore because I do not have any official reports on these charges.

[Altunez] It is said that the counterrevolutionaries control a large strip of Honduran territory, which they call the new Nicaragua. What do you think about that?

[Azcona] I do not wish to discuss the matter anymore. I have already clearly explained our stand to this effect. I think that too much is being said about this issue. I have already explained my stand and the Armed Forces of Honduras have also explained theirs.

[Altunez] These were statements by President Jose Azcona. [end recording]

GEN LOPEZ REYES DENIES CHARGES BY U.S. OFFICIALS

Issues Statement

PA131659 Tegucigalpa Voz de Honduras Network in Spanish 1130 GMT 13 Jun 86

[Statement issued and read by General Walter Lopez Reyes, former commander in chief of the Honduran Armed Forces; date and place not given -- recorded]

[Text] In response to reports by various prestigious Honduran radio networks on statemets reportedly made by a member of the U.S. Senate [as heard] and carried by various U.S. media, I inform the Honduran people of the following:

1. There is a generalized assumption at the international level -- which the U.S. Government has not denied -- on who has served as the coordinator of the Nicaraguan counterrevolution in Central America.
2. Neither in my capacity as a common citizen or commander in chief of the Honduran Armed Forces have I ever been directly or indirectly involved in the Nicaraguan counterrevolution's political and military plans.
3. A member of the U.S. Senate has issued brash statements that taint the honor of foreign officials, based on reports obtained from a covert political and military plan.
4. It is unfortunate that various members of the U.S. Senate -- based on the reports that are available to them -- have no qualms about compromising the prestige and honor of positions that represent the people, in order to benefit a domestic political battle linked to U.S. foreign policy in Central America. In their efforts to advance petty party interests they have not hesitated to raise questions about the image and honor of foreign officials, based on presumed secret reports issued on a covert political and military plan of the U.S. Government.
5. I harbor no doubt that the pertinent U.S. authorities, in compliance with their ethical responsibilities, will clear the charges made against me.

6. In view of the above, and on account of these reports attributed to a member of the U.S. Senate, which apparently strive to discredit me and my untainted record as an honest officer in the Honduran Armed Forces, I expressly reserve the right to demand compensation for slander and false accusations in accordance with the U.S. laws.

7. To the Honduran people I reaffirm my loyalty and devotion and my unfaltering efforts to continue struggling to benefit the national interests. I will never betray the trust the Honduran people have placed in me. I will never compromise my honor or honesty for material gains or to advance causes other than those of Honduras.

Television Interview

PA132226 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 13 Jun 86

[Text] General Walter Lopez Reyes has been accused in the United States of receiving \$450,000 of the funds destined for the Nicaraguan contras so that he would permit their operations in our territory. Some U.S. media, particularly NBC and ABC and THE WASHINGTON POST and THE NEW YORK TIMES, have clearly shown their leftist tendencies, manipulating any information that will favor the Nicaraguan Government. Lopez Reyes was always known for his honesty and respect for the Honduran laws and therefore had the Honduran people's confidence at the time he left his post, something which had never occurred in Honduras before. In the case of the contras, he always opposed any Honduran commitment in supporting the activities carried out during General Alvarez Martinez' days. Here is an interview with Gen Lopez regarding those reports:

[Begin recording] [Lopez] I definitely have many things to say. However, I will begin by saying that I categorically deny the NBC reports. The reports affirm that I have received \$450,000. As I have said on previous occasions, I have never had any contacts with those kind [not further identified] of people. Our contacts have always been at the presidential and National Security Council levels to discuss our domestic and foreign policy matters. I definitely believe that the U.S. reports stating that I have received that sum are absurd. I say that they are absurd, because the Honduran people know me, and furthermore, the Pentagon itself knows very well my position regarding the Honduran and Central American problems.

I have clearly said that many gross errors are impairing the democratic systems. If we analyze what is happening we will see that those of us who consider ourselves democratic are fighting among ourselves. It is a confrontation among those of us who strongly and faithfully defend the ideals we have inherited from our forefathers. In my opinion, there is definitely a great confusion within the United States. The domestic struggle between the Democrats and Republicans is making our small territories appear like a land plagued with corrupt people. We believe that corruption is everywhere, and we are fighting against it. However, at this time, in conducting a policy aimed at overthrowing a Marxist government such as the Nicaraguan Government, the dignity of a nation and my honor are being dragged along. In the future there will possibly be attempts to tarnish the honor of other Honduran citizens. Therefore, I believe that this is the right time for us to resolve this situation. We must ask the U.S. Government with dignity and firmness why it permits members of the U.S. Senate [as heard] to offend us and defame us without having any evidence in our country. The reports have simply been sent to the world -- because I believe that by now the reports have gone around the world -- however, I trust that in the same manner, in the future and as soon as possible, it will be clarified that all those reports, at least in my particular case, are totally false.

[Unidentified reporter] What do you think is the real reason for this -- I am talking about the confrontation between parties -- do you think it is a personal campaign against you or that you are only a victim?

[Lopez] I would say both. The fact is that President Reagan at this time is going to request aid for the counterrevolutionary groups. The Democrats are opposed to that and have harmed our prestige in a domestic debate within the United States. Logically, this can have very grave consequences because my case is not the only one at this time. I am currently separated from the Armed Forces, but even so, I am on furlough. I believe I owe an explanation to the Honduran people, which I will provide. I will be sending you a copy this afternoon and I would appreciate your reading it. I reserve my right to sue [U.S. Congressman Michael] Barnes -- if he in fact made those slanderous accusations -- as I am entitled to do so under U.S. laws. Definitely, it must be proven that I have specifically received those sums of money.

[Reporter] [Words indistinct] reports state and charge that the Honduran Army received more than \$700,000, which was diverted from the U.S. aid for the counterrevolutionary groups. In this sense, as you have been a (?loyal) chief of the Honduran Armed Forces, we would like to hear your opinion on this.

[Lopez] Yes, two dates have been mentioned, which are November [1985] -- and January of this year. As I have always said, I do not administer U.S. funds. The humanitarian aid must supposedly be sent through other channels. At no time have the Armed Forces or myself handled the U.S. funds being sent to the counterrevolutionary groups in the Central American area. Therefore, I am surprised at the assertion that I have received \$450,000. However, in view of the fact that we are making this statement through this news medium, I hope it will reach Barnes and the U.S. Government today as I will be waiting for the evidence that I received that money. In addition, as I have categorically said, I reserve the right to file the pertinent suit.

[Reporter] General Lopez, according to some sectors, Honduras has not been paid well by the United States for its sincere friendship. Do you think that the United States has not been sincere and that Honduras should review the relations between our country and the great nation in the north?

[Lopez] At this time I would say that the peoples do understand each other. There has been a traditional friendship between the Honduran and U.S. peoples, as well as between Honduras and other countries, and relations have been maintained not only in the economic field, but in other areas as well. However, what seems to be creating confusion in the two countries is the kind of politics practiced and the politicians who are handling this situation. They are the ones who are not loyal to each other, and perhaps they are not loyal toward us either. However, I must again stress that differences in U.S. domestic policy between the Democrats and Republicans are endangering the U.S. foreign policy because logically, they are harming our country's interests. Concerning a revision of the Honduran-U.S. relations, I believe that this has been discussed at higher levels. We do not believe that there is any friction between the two countries, but that certain individuals are causing these disagreements. In other words, a few Democratic congressmen who are looking forward to the next elections and are trying to prevent Reagan's policy from attaining a relative success in the Central American area, are making the mistake of bringing scandals to the U.S. Congress and Senate [as heard], which harm us in one way or another. Therefore, what we Hondurans should do is to look after our national interests first, which should prevail. We must defend our interests as a nation at any price, and we must not accept the imposition of norms or policies that will harm in one way or another our national interests in the future.

[Reporter] One last question, Gen Lopez. What specifically is your explanation to the Honduran people? When you left the Armed Forces you left through the front door. In reality, you managed to win the sympathy of the Honduran people in a short time, as you were one of the men who handled part of our country's policy, at least the military policy. And since you have many followers and friends, there is some confusion. Again, what is your message [words indistinct]?

[Lopez] Yes. First of all I would ask them to trust me as I am refuting and denying all the reports that have been published abroad. I also ask them to have faith in our current democratic system, which we will continue to improve. However, this must be done by us, Hondurans. We should not follow the patterns of other countries or copy what other countries do. We can copy the good and positive things, but we must remember that we have our own idiosyncrasies, and that our cultural, educational, moral, ethical, and historical background is different from that of other countries. We must have confidence in our armed institution, trusting that it will defend Honduran interests with honor.

Concerning the foreign policy conducted by the president, the Foreign Secretariat, and its advisers, we must collaborate with them, in the sense that Honduras is not just another nation. Honduras is ours, and it is our duty as Hondurans to defend our nation. We cannot kneel down asking for help elsewhere. We must defend our territorial integrity, and we must all support all those actions that benefit the Honduran society in general. In the future, and I believe it will be very soon, I will demand clarifications -- which I consider necessary -- from the United States, as that is where the charges were made. [end recording]

NICARAGUA

FURTHER ON RELEASE OF FRG VOLUNTEER WORKERS

Wischnewski Issues Statement

PA130428 Managua International Service in Spanish 2300 GMT 12 Jun 86

[Text] The mercenaries who kidnapped eight FRG volunteers and held them hostage for 24 days issued new demands hours before releasing them but eventually discarded these demands because they had no other alternative. This information was released in a statement issued by FRG Social Democratic politician Hans-Juergen Wischnewski during a news conference at the FRG Embassy in Managua. Wischnewski added that the counterrevolutionaries decided to release the FRG citizens given the great international pressure which was being exerted against this terrorist action.

UNO-FDN Communique

PA130435 Tegucigalpa EL HERALDO in Spanish 12 Jun 86 p 35

[Paid advertisement of a communique released by the Nicaraguan Opposition Unity and FDN, dated 10 June]

[Text] The Nicaraguan Opposition Unity-Nicaraguan Democratic Force (UNO-FDN) reports to the Nicaraguan people and the international public:

1. The eight German prisoners, "internationalists" and collaborators of the Sandinist totalitarian dictatorship, were released in Nicaragua today. These men were captured in a war zone by UNO-FDN commandos on 17 May.

2. The release was executed, in accordance with the plan agreed upon with FRG representatives, at Presadillas, Zelaya Department, 15 km from El Rama port, on the Managua-Rama highway. At 1800, the prisoners were released at the Evangelical Church as witnessed by 22 civilians and religious men without the mediation or intervention of the Sandinist government.

The prisoners were delivered by members of the "Jorge Zalazar" Regional Command No 2, headed by "Commander Franklin." The Germans had been captured by commandos of the "Hermenegildo Gonzalez" task force headed by "Commander David," who died heroically during the operation against the Sandinist Army. Presadillas is about 200 km from Managua.

UNO-FDN was constantly moved by the loftiest humanitarian spirit, as well as by prudence and sensitivity and made no demands as usually made by terrorist movements sponsored by international communism, save for those minimal conditions that guaranteed the prisoners' safety and that of the UNO-FDN patrols in charge of holding them.

3. UNO-FDN again reports the Castro-Soviet Sandinist dictatorship's systematic leaning toward deception and treason. The regime at all times tried to hinder the humanitarian delivery of the prisoners, criminally endangering their lives by following instructions issued by their masters from Moscow, Havana, and Tripoli. This irresponsible stance constitutes an unspeakable mockery of the FRG Government because of the Sandinists' rejection of the terms of the first and unsuccessful delivery of 6 June. This was followed by a treacherous mass attack by its army against the position that had been reported for the delivery.

4. As a representative and belligerent force of the Nicaraguan democratic resistance, UNO-FDN respectfully warns democratic governments against the serious danger that their citizens may risk by collaborating with the Marxist-Leninist regime of Managua in war zones where a bloody and grievous civil war is being waged for a nationalist liberation.

5. UNO-FDN wishes to reiterate its acknowledgement of the freedom fighters' characteristic courage, discipline, and patriotism. They offered their humanitarian assistance, protection, and security to the German prisoners with heroic sacrifice and taking considerable risk considering the Sandinists' relentless persecution. Enrique Bermudez, "Commander 380," chief of the UNO-FDN strategic command, was in constant communication with the task force that executed this operation and the thousands of freedom commandos who fight throughout Nicaraguan territory.

6. UNO-FDN acknowledges FRG Government representatives Dr Michael Jansen, chief of cabinet of the FRG Foreign Ministry and special ambassador; Josef Thesing, director of the Konrad Adenauer Foundation; Gerold Dieke, leader of the government coalition on behalf of the Liberal Party [as published]; Eckehard Schober, FRG ambassador to Tegucigalpa, as people of good faith, sound judgement, and respect who understood our willingness and good intentions in all this process, contributing -- together with the UNO-FDN negotiators -- toward a feasible solution for the conclusion of this event.

10 June 1986

Frank Arana Icaza, UNO communications center

Foreigners Warned

PA151922 Panama City ACAN in Spanish 1712 GMT 15 Jun 86

[By German Reyes]

[Excerpt] Tegucigalpa, 15 Jun (ACAN-EFE) -- The anti-Sandinist FDN warned today that its fighters will not be responsible for what might happen to foreigners who, "disguised as volunteer workers," fight alongside the Sandinist Army. Indalecio Rodriguez, member of the FDN National Directorate, said that the "freedom commandos can make no distinction among the many armed internationalists who are fighting on the side of the Managua Government." Rodriguez said that the eight German volunteer workers who were held prisoner for 25 days were released for humanitarian reasons and the respect that "the only democratic guerrilla movement in Latin America" has for others.

"Germans, Libyans, Bulgarians, Soviets, Cubans and every other nationality is hereby warned that our fighters will make no distinction because our struggle is to rescue Nicaragua from the hands of the terrorists who are now governing," Indalecio Rodriguez said. The FDN explained through its spokesman that it has never caused any innocent victims in its search for international solidarity, "contrary to what the terrorists governing in Managua did in the past." According to Rodriguez, the FDN fighters have carefully selected their military objectives and for this reason their actions "have not provoked big tragedies in Nicaragua."

The rebel leader said that the war is spreading throughout Nicaragua and that while it is true that the fighting right now is taking place in the country's interior, soon it will take place in the most important cities, including the capital, Managua.

The internationalists who are fighting in Nicaragua should go back to their respective countries to campaign "in favor of those who at this moment represent the defense of Western values and principles," Rodriguez said. "In Nicaragua," he added, "the internationalists are in barracks, involved in campaigns, and doing work that only serves to persecute and exploit the people and that contributes to the consolidation of the Sandinist regime at the service of international terrorism."

VICE PRESIDENT RAMIREZ, DELEGATION VISIT ALGERIA

For Algiers Domestic coverage of the visit by Vice President Sergio Ramirez Mercado and the accompanying delegation, including talks with Algerian President Chadli Bendjedid and the minister of foreign trade, see the North Africa section of the 16 June Middle East & Africa DAILY REPORT and subsequent issues.

BRIEFS

NEW TELECOMMUNICATIONS CHIEF -- Guerrilla Commander Leopoldo Rivas has been appointed director of the Nicaraguan Telecommunications and Postal Services. He replaces Jose Maria Alvarado, who resigned. Rivas, who is one of the youngest FSLN commanders, has been deputy defense minister for several years. [Summary] [Managua LA PRENSA in Spanish 12 Jun 86 pp 1, 8 PA]

CASTRO SPEAKS AT CLOSING OF HEALTH SEMINAR

FL131642 Havana Tele-Rebelde Network in Spanish 1210 GMT 13 Jun 86

["Excerpts" of speech by President Fidel Castro at the closing ceremony of the international seminar on primary health care at Havana's Palace of Conventions on 12 June -- recorded]

[Text] [Begin Castro recording] There are some essential things I want to say. For example: We are far from imagining, supposing, or believing that our health care system is perfect or that we are doing our very best. We are very conscious of our shortcomings, our weaknesses in public health care work. Hardly a day goes by without our reviewing some detail or problem in a constant struggle to improve our health services and the care we give the people, with our ears alert to any complaint, to any dissatisfaction of our people. The Cuban people are better and better trained, better educated, more and more cultured, and, I must say, more and more demanding. [end recording]

This international seminar made it possible for foreign specialists to become acquainted with the Cuban experiment known as the family doctor program, which they praised highly, recognizing it as a key element in primary health care to make real the challenge to humanity contained in the expression "health for everyone."

[Begin recording] I want to say also that we have almost 20,000 physical education and sports teachers, trained by the revolution -- almost 20,000 -- and several thousand of them are at the college level. Without a doubt, the medical specialty of sports medicine will appear or already exists, with dictors who are experts in physical education matters. The polyclinics may have a new specialist, an expert on physical exercise, especially if we bear in mind the importance that preventive medicine or the promotion of health should have. In the light of this seminar and our experience, there can be no doubt that preventive medicine or the promotion of health is fundamental to medical care services and public health in Cuba. Therapeutics must not be forgotten, because problems come up that no one can foresee or prevent. Cancer can be predicted to an important degree, but no one can say that 100 percent can be foreseen. Cancer problems will always come up.

What we have to do is perform more research and develop curative measures. Heart problems will come up more and more frequently as a consequence of the development of society and the prolongation of the life span. Circulation problems, in short all kinds of problems will come up. People have to die of something, some day. We can try to fill life with beauty and happiness and everything else, but it would be utopian to attempt to make human beings immortal. It is said that our biological potential is 120 years; some even say it is 160 years. And the bible speaks of Methuselah, who is said to have lived 800 years. [laughter, applause] But there is no legent about a person who lived 1,000 years or was immortal. People will have to die of something.

Studies have been made on the influence of exercise. We saw a few reports recently, on geriatric studies that show that exercise not only stops the aging process but may also reverse it. According to these studies -- I am going to give a number that appears to be too high, amazing, but encouraging -- in middle-aged persons and old persons exercise can extend life 25 to 45 years. From 25 to 45 years!

I believe that all mature men and women should have these data on a little sign. Someone spoke of a sign here yesterday. Another sign could be made that says: Exercise can prolong the lives of mature and old people from 25 to 45 years. There is more to be said. Those experiments have shown that life expectancy was increased by 35 percent and that the transport of oxygen to the cells increased 29 percent. If you want to you can jot down that information and keep it in mind. It is really encouraging because it appears that there is no better medicine than exercise for the promotion of health. This is unquestionable. [end recording]

Fidel examined thoroughly certain aspects of the efforts made by the revolution to lengthen human life.

[Begin recording] We began to make heart transplants recently, with success. It is not a matter of prestige. It is not a question of determining whether it is worthwhile to make that great effort to save one or two or five or ten or to give a person 5 additional years of life. It is a matter of giving hope to those who had no hope. And it is also a matter of something that development requires: that we become better, that we study. Its importance is how it forces cardiologists and an entire group of medical specialists to do painstaking work, to make an effort, to study and become better. It contributes to development. These matters cannot be measured by simple statistics.

I was saying that the aggression against our country increased our concern for the study of medicine. It promoted it, and so we achieved great progress. I believe that the merit of our revolution is not that we have perfect institutions, much less institutions to be copied. The only thing I think should be copied is the concern of the state, the government, the revolution, and the party for public health. This is the only thing. Because where there is real concern, formulas and solutions will be found that are adapted to each country. Aggression strengthened our resolve, and we began to achieve our goals under difficult circumstances. This is the only way. [end recording]

Fidel's final words at the closing ceremony of the international seminar on primary health care expressed the Cuban revolution's traditional solidarity with other countries.

[Begin recording] Now, taking leave of you, I want to tell you modestly that our achievements, our progress, our advancement and experience, our successes in research and in the field of public health will always be at our service. Thank you. [applause] [end recording]

Further Remarks

FL132310 Havana Radio Periodico Del Aire in Spanish 2130 GMT 13 Jun 86

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, last night closed the international seminar on primary health care which met for 4 days in Havana's Palace of Conventions. After making a detailed account of the efforts of the revolution in the health sector throughout the years, Fidel referred to the Cuban concept of family doctors for primary health care.

[Begin Castro recording] The idea of the family doctor is a very new one; the first 10 family doctors have not been working in the program for 3 whole years yet. We believe it is a very well conceived idea, based on real foundations, on real needs, with great confidence.

But we were testing it. We tested it in the community, factories, schools, the countryside, cooperatives, agricultural regions, and mountainous areas. [end recording]

Elsewhere in his speech, Fidel referred to the experiences obtained by Cuba in primary health care with the family doctor program.

[Begin recording] That is why we are confident in these new ideas when we put them into practice; we submit them to the test of life. I do not hide the fact that we are very enthused about this idea, this new institution. I do not hide the deepest certainty that it is what rounds out, improves very much our health system. But it is a new idea, and proposals and analyses are constantly considered. They themselves [not further identified] decided to implement the so-called sliding shift -- from 1700 to 2100 -- to avoid interfering with work schedules, to give the opportunity to all the people who work and want to see the doctor. Every day new things come up. For example, needs, ideas come up: what to do with laboratory analysis, how to collect it. [end recording]

Ending the closing speech of the international seminar of primary health care, as he addressed the almost 500 delegates from Latin America and Europe who participated in the event, Fidel said:

[Begin recording] Since we also plan our health services and we decide on one, two, or three working teams, we think not only about our population, we also think that at times other Latin American countries request our cooperation. They ask for medical assistance or for a certain type of medication. We always have to add something to our plan, because nobody knows at what time that kind of request for cooperation will come. Also, one of our doctors -- I believe he spoke here today -- developed a medication and therapeutic method for vitilligo which has caught the interest of many countries, such as Venezuela, Brazil, and others, in all parts of the world. I believe any progress achieved in this field could benefit all.

Now, in taking leave of you, I want to tell you modestly that our achievements, our progress, our advancement and experience, our successes in research and in the field of public health will always be at your service. Thank you. [applause]

CASTRO CLOSES PRE-UNIVERSITY INSTITUTE SEMINAR

FL141824 Havana Television Service in Spanish 1700 GMT 14 Jun 86

[Text] With the presence of Commander in Chief Fidel Castro, first secretary of the party Central Committee and president of the Councils of State and Ministers, the national seminar for professors of mathematics, physics, and chemistry of the pre-university vocational institutes of exact sciences has concluded. The work of the seminar was directed at the study of the content of the curriculum and the characteristics and goals of those institutes. The commander in chief spoke at the final session.

[Begin recording] At a meeting of professors of medical sciences, the problem of the leap from pre-university studies to the university was clearly outlined. It was almost a death-defying leap for many students. The conversion of the vocational schools into pre-university vocational schools was the first thing we did. [end recording]

Later, Fidel referred to the origin of the pre-university institutes of exact sciences, which were founded with the idea of training future specialists in nuclear studies. The first secretary of the Central Committee said that the first students in those specialties graduated from the Lenin Vocational School and added that he was always concerned that that type of school should be distributed throughout Cuba.

[Begin recording] After that idea ... [changes thought] Earlier something had been done. Some schools like the Che Guevara served 3 provinces. Nevertheless, in each of those provinces we wanted to place a school, even if it had capacity for only 500 or 600 students, a vocational school. We had already arrived at the conclusion of the three institutes of exact sciences: occidental, center, and oriente. These ideas were developed until we reached the conclusion that we should convert the vocational schools into schools of exact sciences. Then we began to work on that idea. [end recording]

Fidel referred to the work of the Ministry of Education in the preparation of the curriculum for the pre-university students who were studying exact sciences and to the training of the teaching personnel. He said that the introduction of computing starting in the ninth grade in the coming school year also constitutes an important element in the development of that type of studies centers.

FIDEL CASTRO OPENS HOSPITAL'S NEW WINGS

FL161144 Havana Radio Progreso Network in Spanish 1100 GMT 16 Jun 86

[Text] In Havana Commander in Chief Fidel Castro, party first secretary and president of the Councils of State Ministers, has opened the new wings built at the Julio Diaz Rehabilitation Hospital. With the construction of the new physical therapy, electrotherapy, mechanotherapy, and ambulatory therapy rooms, the hospitals' beds are increased to 225. The hospital is located in Havana's Reparto Fontanar.

CANE HARVEST LOSSES REPORTED IN CAMAGUEY

FL112111 Havana Radio Reloj Network in Spanish 1825 GMT 11 Jun 86

[Text] Despite the effort made to pick up the cane left behind by harvesters, losses in the recently concluded harvest in Camaguey amounted to a little over 31,750,000 arrobas. With that amount of raw material, all of the territory's sugarmills would have produced 38,700 metric tons of crude over the achieved amount, according to the real industrial yield.

Of the 13 agroindustrial complexes in Camaguey, the Haiti, Alfredo Alvarez Mora, Dominican Republic, Argentina, and Jesus Suarez Gayol sugarmills reported losses lower than 5 percent, which is the maximum amount allowed. The rest recorded very high losses, especially the Panama and Ignacio Agramonte sugarmills. The units requiring the use of canecutters had negative results, especially in cane left behind after the lift trucks were used.

ALARCON CRITICIZES U.S. STANCE ON CONTADORA

PA141645 Madrid EFE in Spanish 1210 GMT 14 Jun 86

[By Juan Aznarez]

[Excerpt] Havana, 14 Jun (EFE) -- A senior Cuban official has described the United States, El Salvador, Costa Rica, and Honduras as countries that do not have the political will to achieve a peaceful solution in Central America. Ricardo Alarcon, vice minister of foreign relations of the Fidel Castro government, told EFE that "what has occurred in the last few days has been very educational, very enlightening."

"A couple of weeks ago the international news media said that everything depended on whether Nicaragua signed a proposed document and that the other countries had already agreed to sign it," Alarcon said.

"Now that the document is ready and the Contadora Group has formalized it, we find that there is a somewhat hysterical reaction, especially from the Salvadoran and Costa Rican foreign ministers, who speak of a 'counterdocument,' of another document drafted by them, and they say this document drafted by Contadora is complaisant, as if it were Sandinist," he added.

The Cuban politician stressed: "What were they talking about when they said 2 weeks ago that they were willing to sign, that everything depended on Nicaragua?" "To what document were they referring?" he asked. "Were they referring to this one? This is the document that Contadora was drafting in consultation with the other countries."

According to the Cuban vice minister, the text distributed on 6 June in Panama and the previous document "are practically the same thing." "What this shows now is that there is no U.S. political will to achieve a peaceful agreement. And if there is no U.S. will, there can be no political will on the part of El Salvador, Costa Rica, and Honduras, because they are countries without will and without policy," Alarcon said.

Alarcon, who is considered by political circles as one of the most eminent spokesmen of Cuban foreign policy, added that "they think and act according to what Washington decides, and they now have to show this." "The document is ready, and the hour of truth has arrived," he added, "and when the hour of truth arrives, the same thing always occurs: there is an unmasking of the attitude of Washington and those who literally follow Washington's orders: El Salvador, Honduras, and Costa Rica."

The Cuban vice foreign minister also said: "They cannot sign the peace document as long as the United States is not willing to achieve peace in Central America."